

**Information Memorandum regarding the Issuance and Allocation of Newly Issued
Shares to Accommodate the Adjustment of the Exercise Ratio of the Warrants
Representing the Right to Purchase New Ordinary Shares of
Banpu Public Company Limited No. 3 (BANPU-W3)**

1. Details of the Offering

The Board of Directors of Banpu Public Company Limited (the “**Company**”) No. 2/2017 approved to propose to the Annual General Meeting of the Shareholders of the Year 2017 to consider and approve as follows:

- 1.1 the increase of the Company’s registered capital of not exceeding Baht 3,000,000 from Baht 5,163,757,100 to not exceeding Baht 5,166,757,100 by issuing not exceeding 3,000,000 newly issued ordinary shares (the “**New Shares**”) at Baht 1 par value per share; and
- 1.2 the allocation of New Shares in the amount of not exceeding 3,000,000 shares with Baht 1 par value per share to accommodate the exercise of warrants representing the right to purchase ordinary shares of the Company No. 3 (“**BANPU-W3**”) after the rights adjustment.

Nevertheless, the holders of BANPU-W3 had exercised the rights to purchase 123,464,191 shares on 3 March 2017 resulting in the number of ordinary shares of the Company which is used as basis for calculation of right adjustment was increased from 3,646,230,747 shares to 3,769,694,938 shares. Therefore, the number of ordinary shares which will be issued to accommodate the exercise of BANPU-W3 after adjustment as a result of the annual dividend payment and the increase of the Company’s registered capital is changed. The Board of Directors would like to propose the shareholders’ meeting to consider and approve the increase of the Company’s registered capital of Baht 1,500,000 from Baht 5,163,757,100 to Baht 5,165,257,100 by issuing not exceeding 1,500,000 new ordinary shares at Baht 1 par value per share. Please refer to additional details regarding the above as disclosed in the Resolutions of the Board of Directors’ Meeting No. 2/2017 and the Capital Increase Report Form (F 53-4) as set out in Enclosure 2.

2. Objectives of Capital Increase and Utilization Plan of Proceeds from Capital Increase

To reserve for right provision adjustment for BANPU-W3 exercise.

3. Impact of the Issue and Offering of the New Shares to Shareholders of the Company

The shareholders of the Company may be impacted by the issue and offering of the New Shares to accommodate the exercise of BANPU-W3 after the rights adjustment as follows:

- 3.1 No Price Dilution; and
- 3.2 Control Dilution of 0.04percent.

4. Opinion of the Board of Directors

4.1 Rationale and Necessity of Capital Increase

As the Board of Directors' Meeting No. 2/2017 has approved to propose to the Annual General Meeting of the Year 2017 to consider and approve the declaration of the Company's annual dividend at the rate of Bath 0.50 per share, which is considered to be higher than 90 per cent of the Company's net profit after tax for the period ended 31 December 2016, the Company then complies with the terms of the Terms and Conditions Governing the Rights and Obligations of the Company and Holders of the Warrants Representing the Right to Purchase the Newly Issued Ordinary Shares of Banpu Public Company Limited No. 3 (the "**Terms and Conditions**") to adjust the exercise ratio of BANPU-W3 and issue and allocate the New Shares to accommodated the adjusted exercise ratio.

4.2 Feasibility of Proceeds Utilization Plan

The Company will use the proceeds from capital increase as its working capital related to the original objectives of BANPU-W3.

4.3 Reasonableness of Capital Increase, Proceed Utilization Plan and Sufficiency of Source of Fund

This issue and offering is made in accordance with the terms of the Terms and Conditions.

4.4 Impact on the Business Operations, Financial Status and Results of Operations of the Company

This issue and offering is made in accordance with the terms of the Terms and Conditions and it would not impact on the business operations, financial status and results of operations of the Company.

In the case that the director of the Company does not comply his/her duties in good faith and with care to preserve the interest of the Company on matters relating to the increase of registered capital, resulting that the performance of any nonperformance of any act which fails to comply with the aforementioned duties and causes damages to the Company, the shareholders may claim compensation from such director on behalf of the Company in accordance with Section 85 of the Public Company Limited Act B.E. 2535 (as amended). In addition, in the case where the director omits to act his/her duties, resulting that the director or the related person to obtain undue benefits, the shareholders may bring an action against the director for disgorgement of such benefits to the Company on behalf of the Company in accordance with Section 89/18 of the Securities and Exchange Act B.E.2535 (as amended).