BP 0459/081

19th April 2016

-Translation-

Subject: Announcement on sustainability strategy initiatives and upstream gas investment

To: President of the Stock Exchange of Thailand

Banpu Public Company Limited ('Banpu') would like to inform the Stock Exchange of Thailand that the company has today announced some important new strategic initiatives at the company's Annual General Meeting of shareholders ('AGM'). While the company will continue to strengthen and develop its conventional coal and power business, growing emphasis will now be placed on harnessing the potential of new energy technologies, lower environmental-impact fuels and supply chain integration synergies. In keeping with this approach, high-efficiency, low-emissions ('HELE') power and renewable energy have already been announced as core to the Banpu Power strategy going forward. Banpu Power is still scheduled for a separate floatation on the Stock Exchange of Thailand later this year or early next year. In addition, potential areas currently under evaluation for new investment at the Banpu PCL level will now include upstream gas production using unconventional extraction technologies, energy supply chain management and smart energy systems.

As a first step in upstream unconventional gas, Banpu has acquired a 29.4% stake in the low-cost Chaffee Corners Joint Exploration Agreement (JEA) operation in the northeast section of the Marcellus Shale in Pennsylvania in the United States for USD 112 million via a fund structure. Marcellus is the largest source of natural gas in the United States, and one of the biggest in the world. Banpu's net interest in the Chaffee Corners JEA is equivalent to proved ('P1') reserves of 156 billion cubic feet* of dry natural gas and target net output of around 21 million cubic feet per day for 2016. The gas is sold entirely into the US domestic market, mainly for power generation. The JEA is 65.4%-owned and operated by Talisman, a leading unconventional US-based player. Producers in the Marcellus field benefit from low transportation costs and proximity to the high-demand markets along the East Coast of the United States.

*Third party verification by Rose & Associates, February 2016. Note that Banpu's net revenue interest in current producing acreage under the Chaffee Corners JEA will average between 18-22%.

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Additionally, Mr. Anon Sirisaengtaksin, formerly a senior executive at a leading energy conglomerate, was appointed as a director of Banpu in the AGM today. He will also act as an executive advisor to Banpu in relation to its new upstream gas strategy.

Please be informed accordingly and kindly disseminate the information herein to investors

Sincerely yours,

-signature-

(Mrs. Somruedee Chaimongkol)

Chief Executive Officer

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