

(Translation)

Ref: No. 2062/020

May 31, 2019

Re: Report on the Information Memorandum Regarding the Connected Transaction Concerning the Entering into the Service Agreement
To: President of the Stock Exchange of Thailand
Ref: Letter to SET regarding the connected transaction No. BorPhor.1260/071 dated 20 December 2017
Enclosure: Information Memorandum regarding the Connected Transaction

According to the Meeting of the Board of Directors of Banpu Power Public Company Limited (the "**Company**") No. 5/2019 held on May 31, 2019, has resolved to ratify Banpu Investment (China) Co., Ltd. ("**BIC**"), the Company subsidiary, to enter into the Service Agreement with the connected person, the Company, therefore, would like to inform the Stock Exchange of Thailand ("**SET**") with the following connected transaction details:

Ratification of the entering into the Service Agreement between BIC as a service provider and Banpu Public Company Limited ("**BANPU**") including the 4 subsidiaries of BANPU, a major shareholder of the Company holding 78.57 percent of the total issued and paid-up shares of the Company, as a service receiver, who is categorized as a connected person under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions, dated 19 November 2003.

In order that, the objective of the entering into this agreement is to renew the Service Agreement of which has the same conditions as the Connected Transaction according to the reference letter. For the delayed report regarding the said Connected Transaction due to the necessary of mutual agreement regarding some conditions in the Service Agreement. The company has proposed the Board of Directors for the ratification of the entering into this Service Agreement when those conditions have been solved.

The value of remuneration under the Service Agreement is in the amount of THB 201.72 million, In addition, the Company has no other connected transactions with Banpu or its related parties or close relatives of such persons during the six months prior to the date of entering into this transaction, which falls under the Transaction Category 4 of the Notification of the SET regarding the Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions. The transaction size is equal to 0.53 percent of the Net Tangible Assets of the Company ("**NTA**") based on the highest remuneration. Therefore, this transaction size is considered to be larger than 0.03 percent but less than 3.00 percent of the Company's NTA according to the latest consolidated financial statements of the Company as of 31 March 2019. The details of this transaction are as specified in the enclosure.

Please be informed accordingly.

Yours Sincerely,
-Signature-
(Mr. Sutee Sukruan)

(TRANSLATION)

**INFORMATION MEMORANDUM REGARDING THE CONNECTED TRANSACTION
BANPU POWER PUBLIC COMPANY LIMITED**

According to the Meeting of the Board of Directors of Banpu Power Public Company Limited (the "**Company**") No. 5/2019 held on 31 May 2019, passed a resolution to ratify the entering into the Service Agreements between Banpu Investment (China) Co., Ltd. ("**BIC**"), the company's subsidiary and Banpu Public Company Limited, ("**BANPU**") including the 4 subsidiaries of BANPU, a major shareholder of the Company holding 78.57 percent of the total issued and paid-up shares of the Company, of which BIC will receive the remuneration under the total 5 service agreements in the amount of USD 6.22 million or equivalent to THB 201.72 million as details in the table below;

Service Provider	Service Receiver	Type of Service	Value of Agreement (USD)	Value of Agreement (THB)
BIC	Asian American Coal Inc. ("AACI")	Management Fee	1,776,281.04	57,581,702.47
BIC	Banpu Mineral Co., Ltd. ("BMC")	Management Fee	824,035.08	26,712,745.19
BIC	Banpu Public Company Limited ("Banpu")	Management Fee	1,608,244.17	52,134,451.26
BIC	Banpu Australia Co., Pty Ltd. ("BPA")	Management Fee	1,709 per day or 615,240.00	55,400.65 per day or 19,944,235.08
BIC	Banpu Shanghai Trading Co., Ltd. ("BST")	Management Fee	1,398,881.54	45,347,542.88
Total of service agreement			6,222,681.83	201,720,676.88

Therefore, the entering into the service agreements between BIC and the subsidiaries of BANPU is considered as a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions, dated 19 November 2003. The material details of the transaction are as follows:

1. Transaction Date

According to the Board of Directors Meeting of the Company No. 5/2019, held on 31 May 2019, has resolved to approve the ratification to entering into the Service Agreements between BIC as a service provider and BANPU including the 4 subsidiaries of BANPU as a service receiver.

2. Details of Connected Person and Relationship

Service Provider: BANPU INVESTMENT (CHINA) CO., LTD. ("BIC"),

Service Receiver: Banpu Group consists of;
Asian American Coal Inc. or ("AACI"),
Banpu Mineral Co., Ltd. or ("BMC"),
Banpu Public Company Limited or ("Banpu"),
Banpu Australia Co., Pty Ltd. or ("BPA"),
Banpu Shanghai Trading Co., Ltd. or ("BST")

Relationship: BANPU is a major shareholder of the Company, holding 2,397,199,497 shares, equivalent to 78.57 percent of the total issued and paid-up shares of the Company.

3. General Features of Transaction

According to the subsidiary of the company has entered into the service agreement with the subsidiaries of BANPU for 1 year, started from 1 January 2018 and ended on 31 December 2018. The subsidiary of the company has provided services with their knowledgeable and competent and expertise, including the other efficiency facilities to the subsidiaries of Banpu in China of which could be strengthened the management, as a result of which, therefore, the service agreement has been renewed for a one year term starting from 1 January 2019 to 31 December 2019 with the total service fee under the 5 service agreements at USD 6.22 million or equivalent to THB 201.72 million.

Note:

Service Agreement between BIC and BPA will be signed from time to time when the actual transactions occur and service fee will be charged upon the operation date. Therefore, there is no annual agreement for this transaction.

4. Total Value of Consideration, Basis used to determine the Consideration Value and Payment Conditions

4.1 Total value of consideration: USD 5.76 million or equivalent THB 201.72 million with the following details:

The value of remuneration under 5 service agreements is in the amount of THB 201.72 million on the Cost-Plus Pricing basis.

In addition, the Company has no other connected transactions with Banpu or its related parties or close relatives of such persons during the six months prior to the date of entering into this transaction.

4.2 Size of transaction:

It is considered as the Transaction Category 4 of the Notification of the Stock Exchange of Thailand ("SET") regarding the Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions which required the approval from The Board of Director Meeting and to disclose the information of the transaction to the SET.

4.3 Criteria to determine size of the transaction:

The value of remuneration under the 5 service agreements is in the amount of THB 201.72 million. In addition, the Company has no other connected transactions with Banpu or its related parties or close relatives of such persons during the six months prior to the date of entering into this transaction compared to the Net Tangible Assets of the Company (NTA) at the amount of THB 38,270.89 million, equaling to 0.53 percent (based on the Company's financial statements as of 31 March 2019).

$$= \frac{\text{The remuneration under the Service Agreement}}{\text{Net Tangible Assets of the Company (NTA)}}$$

$$= \frac{201.72 \text{ Million Baht}}{38,270.89 \text{ Million Baht}}$$

$$= 0.53 \text{ percent}$$

5. Characteristics of the Interest of the Connected Person in the Transaction

This transaction size is the connected transaction between the subsidiary of the Company and the subsidiaries of the Company's the major shareholder, which is considered as a connected transaction based on the service transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions, dated 19 November 2003.

Therefore, based on the related rules and regulations, this transaction size is considered to be larger than 0.03 percent but less than 3.00 percent of the Company's NTA according to the latest consolidated financial statements of the Company as of 31 March 2019, the Company is required to get the approval from the Board of Director Meeting and to disclose the information of the transaction to the SET.

6. Names of the Company's directors who have interest

Name	Position(s) in the Company
1. Mr. Chanin Vongkusolkit	Director / Member of Corporate Governance and Nomination Committee
2. Mr. Metee Auapinyakul	Director / Member of Compensation Committee
3. Mr. Rawi Corsiri	Director / Member of Corporate Governance and Nomination Committee
4. Ms. Somruedee Chaimongkol	Director / Member of Compensation Committee

There was 8 directors attended the Board of Directors Meeting No. 5/2019 held on 31 May 2019 and constituted a quorum. The 4 directors who have interest above attended the meeting but did not cast their votes for such agenda.

7. Opinion of the Board of directors

The Board of Directors has an opinion that the entering into the aforementioned transaction is reasonable based on the continuity of service, the transaction was to renew the Service Agreement with the efficient service.

8. Opinion of the Audit Committee

The same opinions.

The Company hereby certifies that the above-mentioned transaction has been reasonably considered with the view to the best interest of the shareholders, and that the information contained herein is true and correct in all respects.

-Signature-
(Mr. Sutee Sukruan)
Chief Executive Officer