

POPLAR GROVE MINE CONSTRUCTION UPDATE

HIGHLIGHTS:

- **Construction at Poplar Grove continues to accelerate with the Company recently completing the foundations for the CHPP with structural steel to be erected in the coming weeks**
- **Excavation and site development works at the barge load-out facility on the Green River to begin shortly**
- **Paringa continues to build out its executive team with the recent addition of Mr. Adam Anderson as Sr. Vice President of Coal Sales & Marketing**
- **Mr. Anderson is a highly experienced coal sales executive in the Illinois Basin and will be instrumental in executing Paringa's marketing strategy**
- **Mr. Rick Kim has been promoted to Paringa's COO, with both Mr. Matt Haaga (former COO) and Mr. Jim Plaisted (former VP of Coal Sales and Marketing) remaining heavily involved as key technical consultants**
- **As announced, approximately 90% of the total capex for the development of Poplar Grove has now been awarded on a fixed price basis, significantly reducing pricing and timing risk**

Paringa's Managing Director and CEO, Mr. Grant Quasha, said: "Following the recent positive announcement of Paringa locking in almost 90% of the total capex for Poplar Grove Mine under fixed priced contracts, I am pleased to update on the important addition of Adam Anderson to the Paringa executive team as Sr. VP of Coal Sales and Marketing."

"Adam is a highly regarded, experienced coal sales and marketing professional in the Illinois Basin, and we are extremely excited to be executing our coal marketing strategy under Adam's leadership with the continued guidance of Jim Plaisted. Adam's previous experience in selling over 9mm tons per year for Armstrong into the Ohio River and Southeast markets coupled with his excellent relationships with local utilities will significantly bolster our sales and marketing efforts."

"We continue to make excellent progress with construction at Poplar Grove, continue to strengthen the Paringa team with exceptional, motivated people and remain on track to deliver first coal 12 months from the start of construction."

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Mine Site Excavation and Development Continues at Poplar Grove Mine



Preparing Foundations at the Preparation Plant at Poplar Grove Mine

Paringa Resources Ltd (“**Paringa**” or the “**Company**”) (**ASX:PNL**) is pleased to provide a construction update at Poplar Grove and to also announce that it has appointed Mr. Adam Anderson as the Company’s new Sr. Vice President of Coal Sales and Marketing. Mr. Anderson was previously Vice President of Sales and Marketing for Armstrong Energy Inc., the second largest coal producer in Western Kentucky. Adam is a highly experienced coal sales executive with over 13 years’ experience in the Illinois Basin and will be instrumental in executing Paringa’s marketing strategy. In addition, Mr. Rick Kim has been promoted to the position of Chief Operating Officer (“COO”) of Paringa. Both Matt Haaga (former COO) and Jim Plaisted (former VP of Coal Sales and Marketing) will remain heavily involved as key technical consultants to the Company.

These additions continue to strengthen Paringa’s executive management team following the recent appointments of Paringa’s Maintenance Manger Mr. Chris Brooks, formerly Maintenance Manager of Armstrong Energy, and Paringa’s Mining Engineer Mr. Will Scates, formerly Senior Mine Engineer at Alliance’s Western Kentucky River View mine.

Addition of Mr. Adam Anderson to the Paringa Team

Paringa is delighted to welcome Mr. Adam Anderson as Sr. Vice President of Coal Sales and Marketing at the Company. Mr. Anderson is a highly experienced and well-respected coal sales professional and his duties will be focused on continuing to build relationships with the Ohio River and South-East markets, and execute on Paringa’s coal sales and marketing strategy.

Prior to joining, Adam Anderson was Vice President of Sales and Marketing for Armstrong Energy, Inc, the second-largest thermal coal producer based in Western Kentucky. In this role he was responsible for all coal sales marketing efforts at that company, building very strong relationships with Paringa’s Ohio River target market and the South-East markets for 13 years.

Prior to joining Armstrong, Mr. Anderson spent six years with Arch Coal, Inc. as Vice President of Sales. In this role, Mr. Anderson was the senior member of the Powder River Basin sales team and also led Arch’s eastern industrial sales initiative.

In the years before entering the energy industry, Mr. Anderson served on active duty with the U.S. Air Force for almost 13 years and subsequently continued his service in the Air National Guard, retiring after 27 years at the rank of Lieutenant Colonel. Mr. Anderson earned his Bachelor of Science Degree in Engineering and Legal Studies in 1995 from the United States Air Force Academy and received an MBA with honors from St. Mary’s University in 2004. Mr. Anderson presently serves as an Officer on The Board of Directors for the American Coal Council, serves as President of the St Louis Coal Club, and is proud to be a member of the New York Coal Trade Association and the Lexington Coal Exchange.

Paringa continues to build out its team and recently hired the former Senior Mine Engineer at Alliance’s largest West Kentucky mine – River View. In addition, Mr. Rick Kim has been promoted as Paringa’s new Chief Operating Officer (“COO”), with both Mr. Matt Haaga (former COO) and Mr. Jim Plaisted (former VP of Coal Sales and Marketing) remaining heavily involved as key technical consultants to the Company.

Buck Creek Development Timetable

Construction at Poplar Grove remains on track with the Company recently completing the foundations for the coal handling and preparation plant (“CHPP”) with structural steel to be erected in the coming weeks.

In addition, excavation and site development works at the barge load-out facility on the Green River to begin shortly. Paringa remains on target for first coal production by August 2018.

Buck Creek	2017				2018				2019				2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<u>Poplar Grove</u>																				
Technical Studies	✓																			
Permitting	✓																			
Financing		✓																		
Construction			✓																	
Production (WK No.9)																				
WK No.11 Incline																				
Production (WK No.11)																				
<u>Cypress</u>																				
Construction																				
Commercial Production																				

Development Timeline of the Poplar Grove and Cypress Mines (2017 to 2021)

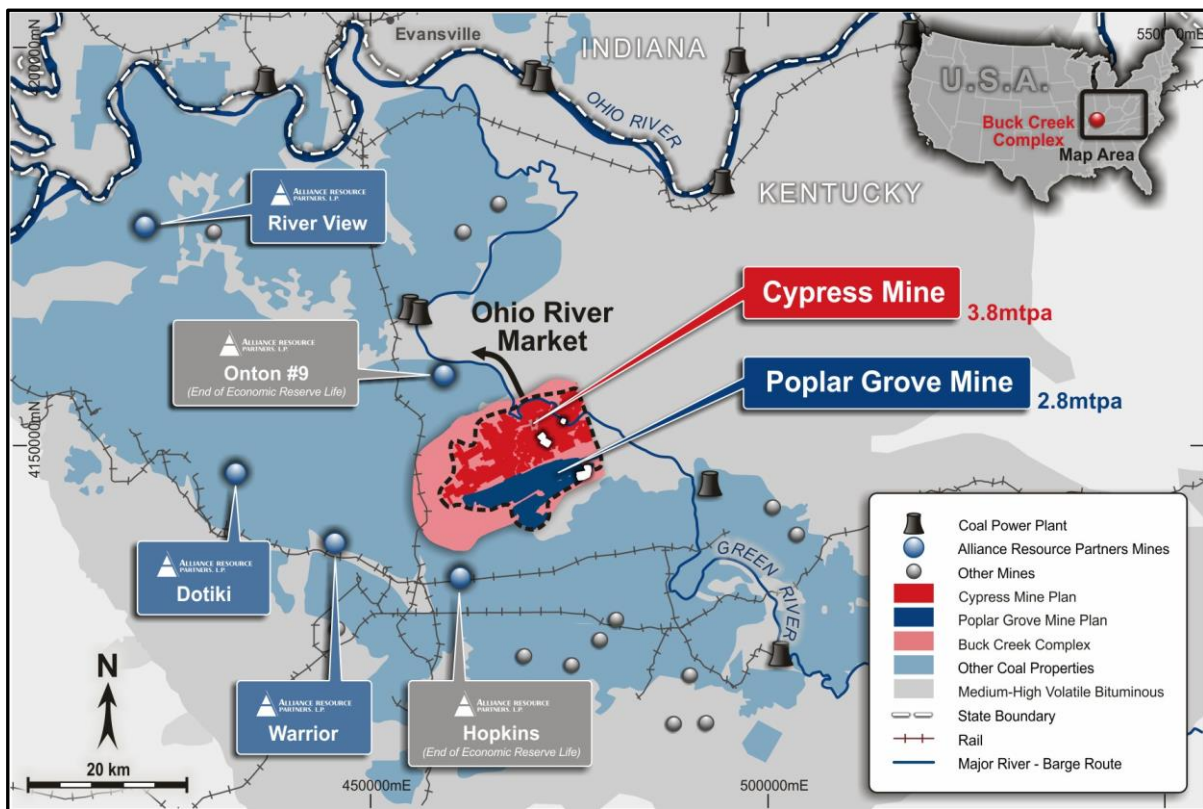
THE BUCK CREEK COMPLEX

Buck Creek coal mining complex (“**Buck Creek Complex**”) is located in the Western Kentucky region of the Illinois Basin which is one of the most prolific coal producing regions in the United States.

The Buck Creek Complex comprises almost 40,000 acres of coal leases and includes two developing mines:

1. **Poplar Grove Mine:** Permitted 2.8 Mtpa thermal coal mine which is now in construction with first coal expected 12 months from start of construction; and
2. **Cypress Mine:** Permitted 3.8 Mtpa Cypress Mine with construction set to begin by early 2019.

Refer below for a map of Paringa’s Poplar Grove and Cypress Mines and current and historical coal mining in the Western Kentucky region of the Illinois Basin.



Map of Buck Creek Complex and Local Mining Operations in Western Kentucky (Illinois Basin)

Forward Looking Statements

This report may include forward-looking statements. These forward-looking statements are based on Paringa's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Paringa, which could cause actual results to differ materially from such statements. Paringa makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

Competent Persons Statements

The information in this announcement that relates to Exploration Results, Coal Resources, Coal Reserves, Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation was extracted from Paringa's ASX announcements dated March 28, 2017 entitled "Expanded BFS Results Confirms Development Pathway to A\$850 million NPV" and December 2, 2015 entitled "BFS Confirms Buck Creek will be a Low Capex, High Margin Coal Mine" which are available to view on the Company's website at www.paringaresources.com.au.

The information in the original ASX announcements that related to Exploration Results and Coal Resources is based on, and fairly represents, information compiled or reviewed by Mr. Kirt W. Suehs, a Competent Person who is a Member of The American Institute of Professional Geologists. Mr. Suehs is employed by Cardno. Mr. Suehs has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and to qualify as a Qualified Person as defined in the 2011 Edition of the National Instrument 43-101 and Canadian Institute of Mining's Definition Standards on Mineral Reserves and Mineral Resources.

The information in the original ASX announcements that related to Coal Reserves, Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation is based on, and fairly represents, information compiled or reviewed by Messrs. Justin S. Douthat and Gerard J. Enigk, both of whom are Competent Persons and are Registered Members of the Society for Mining, Metallurgy & Exploration. Messrs. Douthat and Enigk are employed by Cardno. Messrs. Douthat, and Enigk have sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and to qualify as Qualified Persons as defined in the 2011 Edition of the National Instrument 43-101 and Canadian Institute of Mining's Definition Standards on Mineral Reserves and Mineral Resources.

Paringa confirms that: a) it is not aware of any new information or data that materially affects the information included in the original ASX announcements; b) all material assumptions and technical parameters underpinning the Coal Resource, Coal Reserve, Production Target, and related forecast financial information derived from the Production Target included in the original ASX announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially modified from the original ASX announcements.