

POPLAR GROVE MINE CONSTRUCTION UPDATE

HIGHLIGHTS:

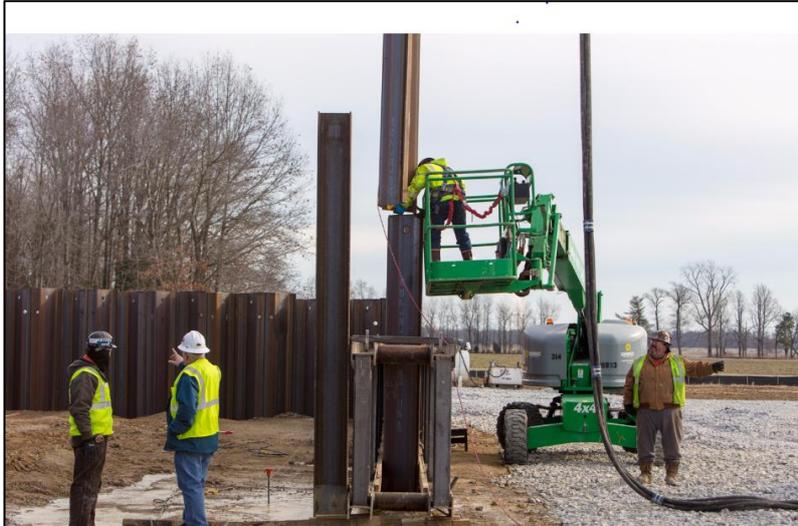
- *Started vertical construction of the preparation plant at the Poplar Grove Mine*
- *Began construction of keyhole for the slope decline to access the underground coal*
- *Completion of raw coal reclaim tunnel*
- *Site development at the barge load-out facility set for completion by end of 2017*
- *Continued progress in building long term relationships with our tier-1 customer base*
- *Paringa remains on track to complete construction at Poplar Grove in Q3 2018*



Erection of steel at the preparation plant



Construction of the keyhole slope decline to access underground coal



Construction of the keyhole slope decline to access underground coal



Completion of raw coal reclaim tunnel



Accelerated site excavation at the Paringa barge load-out facility

Buck Creek Development Timetable

Construction at Poplar Grove continues with the commencement of vertical construction of the preparation plant together with the start of delivery of initial internal equipment. Additionally, crews have begun driving sheet piling, delineating the keyhole access to support the underground excavation of the slope decline to access the underground coal.

Good weather has allowed accelerated completion of the raw coal reclaim tunnel along with excavation and site development works at the Paringa barge load-out facility on the Green River. In addition to construction advancements, the Company continues to make excellent progress in building relationships with the Ohio River and South-East markets, and is looking forward in executing Paringa's coal sales and marketing strategy. Paringa expects to complete construction of the Poplar Grove Mine in the third quarter of 2018.

Buck Creek	2017				2018				2019				2020				2021			
	Q1	Q2	Q3	Q4																
<u>Poplar Grove</u>																				
Technical Studies	✓																			
Permitting	✓																			
Financing		✓																		
Construction			✓																	
Production																				
<u>Cypress</u>																				
Construction																				
Commercial Production																				

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

Paringa looks forward to providing regular updates of the construction of the Poplar Grove Mine with photos and videos uploaded regularly to the Paringa website: www.paringaresources.com.

Paringa's Managing Director and CEO, Mr. Grant Quasha, said: "It is very exciting to see our team erecting structural steel at the Poplar Grove Mine's preparation plant and beginning the steel sheet piling to support the slope decline to access the underground coal. In addition, I am also pleased to report we have made considerable progress in building long term relationships with our tier-1 customer base and very encouraged with some of the improving market fundamentals for US domestic and export coal markets."

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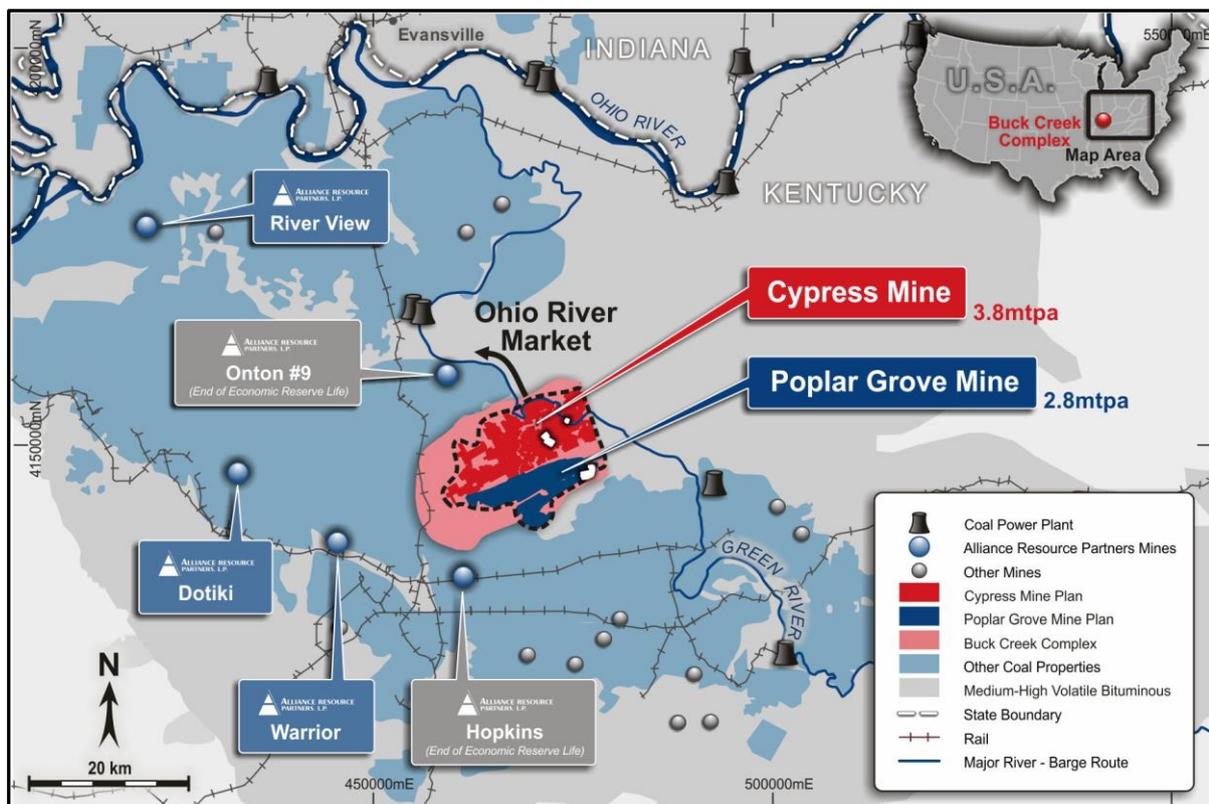
THE BUCK CREEK COMPLEX

Buck Creek coal mining complex (“**Buck Creek Complex**”) is located in the Western Kentucky region of the Illinois Basin.

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 project completion estimated in the third quarter of 2018; and
2. **Cypress Mine:** Permitted 3.8 Mtpa Cypress Mine with construction set to begin in 2019 (subject to market conditions).

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.