

8th January 2013



ANNOUNCEMENT

PARINGA RESOURCES TO COMMENCE DRILLING AT MINAÇU PROJECT

Paringa Resources Limited (ASX: PNL) today signed a contract for an initial 1500m of diamond drilling on the Company's Minaçu high-grade gold project in central Brazil.

Mobilisation of the diamond drill rig will occur on 21st January with drilling to commence shortly after. Drilling will focus mainly on the extensive historical gold workings along the two-kilometer extent of the Homero-Trincheirão-Piscina trend within the Minaçu project area. These workings have yielded very high grades from channel sampling carried out by previous explorers such as 1m @ 20.31g/t, 0.7m @ 30g/t, 0.8m @ 10.28g/t and 1m @ 8.35g/t. Further details and context for this prospect area can be found under Section 4.6.2 of the Independent Geologist's Report on page 76 of the Company's prospectus (see Paringa's website).

Paringa Managing Director Mr David Chapman said: "This is the first step and we are very pleased to have finalized this contract which will enable Paringa to commence the inaugural drilling program at Minaçu as planned. Our Brazilian geological team has been working at Minaçu for the last two months under the direction of Exploration Manager Paulo Ilídio Brito in preparation for drilling. This is the beginning of the first phase of a two-phase program with the objective being to define a significant resource at Minaçu."

Paringa's strategy is to become a premium mineral exploration and development company by:

- building a sound resource base within the current portfolio through exploration and exploitation of its gold and graphite assets in Brazil, and
- leveraging off technical and commercial strengths in Brazil to pursue additional growth opportunities by investing in, and/or acquiring additional gold, copper and strategic minerals resources projects within regions with a history of mining or known mineralisation, strong regional endowment and with nearby infrastructure.

The Company's primary objective is to explore its Minaçu Gold Project located in central Brazil, where Paringa has planned a two-phase, two-year exploration program with the goal of defining a significant gold resource.

In conjunction with its planned program at the Minaçu Gold Project, Paringa will be generating a pipeline of priority targets at the São Luis Gold Project within the Proterozoic greenstone

sequences in the (100Moz+ Au) Guyana Shield. Paringa will also be exploring both the Santo Antônio de Pádua Graphite Project and the São Fidélis Graphite Project for short-term resource opportunities with the objective of creating a high-margin graphite project with low capital development requirements.



David Chapman
Managing Director

Qualifying Statement

This release 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 release, to reflect the circumstances or events after the date of that release.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr David Chapman. Mr Chapman is employed by Paringa Resources Limited and is a Member of The Australasian Institute of Mining and Metallurgy. Mr Chapman has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Chapman consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Mr Chapman accepts responsibility for the accuracy of the statements disclosed in this report.