

POPLAR GROVE MINE CONSTRUCTION UPDATE

HIGHLIGHTS:

- *Excavation and site development work gathers pace at the Poplar Grove Mine*
- *Detailed value engineering and optimisation review substantially completed*
- *Potential listing on a major US stock exchange progressing well*
- *Paringa remains on track to deliver first coal from Poplar Grove within 12 months*

Paringa Resources Limited (“**Paringa**” or “**Company**”) is pleased to provide an update of the construction of the Poplar Grove mine (“**Poplar Grove Mine**”). 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.



Construction of Levies Surrounding the Poplar Grove Mine

For further information, contact:

Grant Quasha
Managing Director & CEO
gquasha@paringaresources.com

Nathan Ainsworth
VP, Business Development
nainsworth@paringaresources.com



Construction of Levies Surrounding the Poplar Grove Mine



Site Preparation Activities at Poplar Grove Mine





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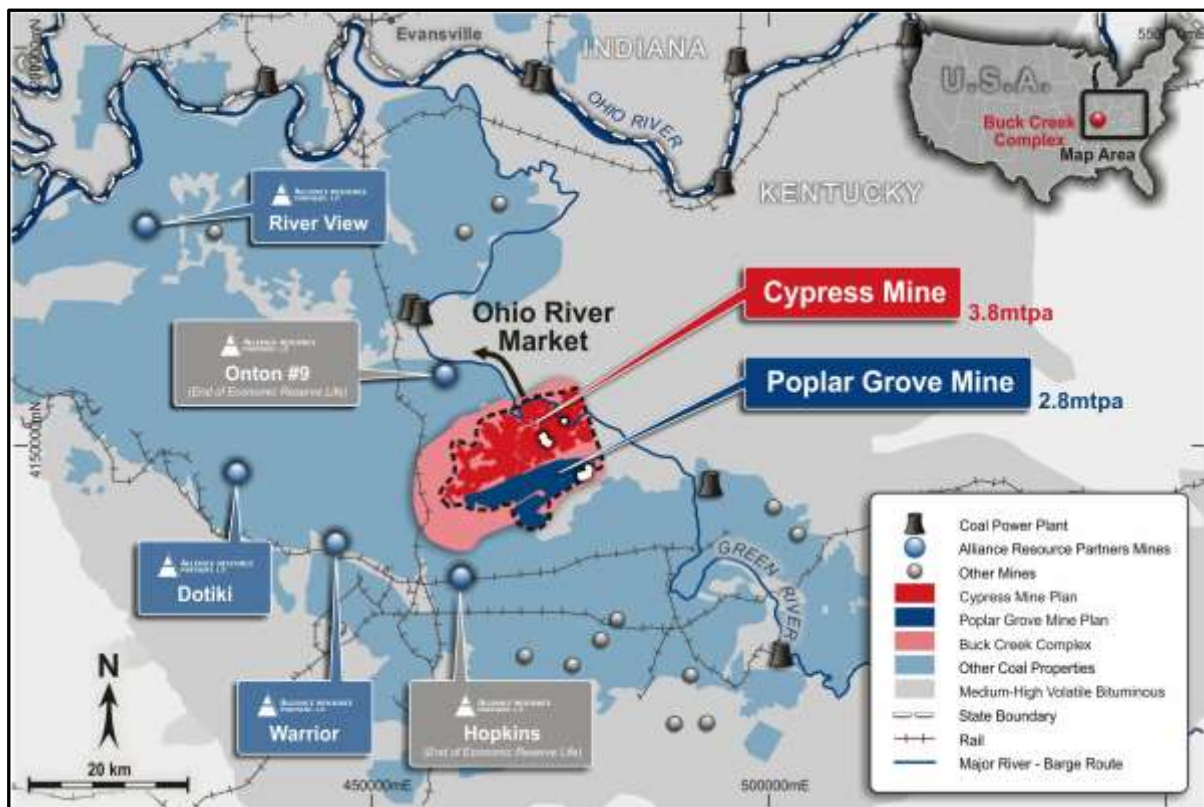
THE BUCK CREEK COMPLEX

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