

June 7, 2017



Poplar Grove Mine Construction To Commence In July Following Award Of Site Development Contract

HIGHLIGHTS:

- Construction of the Poplar Grove Mine to commence in July 2017 with first coal production on schedule for July 2018**
- Commencement of construction follows a competitive final bidding process with Paringa awarding a bulk earthworks and site development contract for the Poplar Grove Mine**
- Contract covers excavation and development activities for the box-cut development and mine site area, preparation plant facility area, refuse area at the Poplar Grove Mine and the barge load-out facility area on the Green River**
- Paringa has now secured 100% of the surface property for the location of the Poplar Grove mine and barge load-out facility and is now currently establishing power to the mine site and beginning mobilization of site development equipment**
- Paringa is highly encouraged with the competitiveness of the bidding process for all major capital items and looks forward to providing further updates over the coming weeks**

NEW YORK, June 7, 2017 /PRNewswire/ -- Paringa Resources Limited (**Paringa**" or "**Company**") is pleased to announce that it has awarded a contract for the excavation and site development works at the Poplar Grove Mine. The fixed price contract encompasses the box-cut development and mine site area, preparation plant facility area, refuse area and the Buck Creek barge load-out area at the Green River.

Following a competitive final bidding process, the contract has been awarded to Pollard & Sons Excavating, LCC based in Madisonville, Kentucky who has successfully completed a series of recent excavation projects of similar size for other coal mining companies in western Kentucky. The contract amount is equal to the amount budgeted for in the final Bankable Feasibility Study ("**BFS**") released to the Australian Securities Exchange

("ASX") on 28 March 2017.

Paringa has now secured 100% of the surface property for the location of the Poplar Grove mine site and Buck Creek barge load-out facility. The Company is currently establishing power to the Poplar Grove mine site and is beginning the mobilization of site development equipment for excavation and site development activities.

Paringa is highly encouraged with the competitiveness of the final bidding process for all major capital items to construct the Poplar Grove Mine. Paringa remains on track to deliver the construction of the Poplar Grove mine on schedule and on time, with excavation of the box-cut expected to begin July 2017 with first coal production due July 2018.

Paringa's CEO, Mr. Todd Hannigan, said: *"The tendering process for all major capital items is now closed and the Paringa team has conducted an exhaustive and competitive final bidding process. Paringa's approach generally has been to mitigate risk as much as possible and as such, the Company is focused on executing appropriate contracts for the major capital items to build the Poplar Grove Mine to ultimately mitigate price and timing risk to the extent possible. The Company remains on track to deliver on the commitments we made to our shareholders in commencing construction at Poplar Grove Mine as planned in July 2017, with first coal production due July 2018."*

To view the original version on PR Newswire, visit <http://www.prnewswire.com/news-releases/poplar-grove-mine-construction-to-commence-in-july-following-award-of-site-development-contract-300470553.html>

SOURCE Paringa Resources Limited