



PARINGA RESOURCES LIMITED

ABN 44 155 933 010

OFFER DOCUMENT

for

A fully underwritten accelerated non-renounceable pro rata entitlement offer of one New Share for every three Shares held on the Record Date at an issue price of \$0.22 per New Share

THE RETAIL ENTITLEMENT OFFER OPENS ON 24 MAY 2018 AND CLOSES AT 5.00PM (WST) ON 7 JUNE 2018. VALID APPLICATIONS MUST BE RECEIVED BEFORE THAT TIME.

PLEASE READ THE INSTRUCTIONS IN THIS OFFER DOCUMENT AND ON THE ACCOMPANYING ENTITLEMENT AND ACCEPTANCE FORM REGARDING THE ACCEPTANCE OF YOUR ENTITLEMENT UNDER THE RETAIL ENTITLEMENT OFFER.

THIS IS AN IMPORTANT DOCUMENT WHICH REQUIRES YOUR IMMEDIATE ATTENTION AND SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR, OR OTHER PROFESSIONAL ADVISER.

AN INVESTMENT IN THE SECURITIES OFFERED BY THIS OFFER DOCUMENT SHOULD BE CONSIDERED HIGHLY SPECULATIVE IN NATURE. PLEASE READ THE RISKS SECTION CAREFULLY WHEN YOU CONSIDER YOUR INVESTMENT.

NOT FOR RELEASE OR DISTRIBUTION INTO THE UNITED STATES OR ELSEWHERE OUTSIDE AUSTRALIA AND NEW ZEALAND.

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IMPORTANT INFORMATION

General

This offer document (**Offer Document**) is issued pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act. This Offer Document has been prepared by Paringa Resources Limited ACN 155 933 010 and was lodged with ASX on 21 May 2018. ASX takes no responsibility for the content of this Offer Document.

This Offer Document is not a prospectus and does not contain all of the information that an investor would find in a prospectus or which may be required by an investor in order to make an informed investment decision regarding, or about the rights attaching to, New Shares. Nevertheless, this Offer Document contains important information and requires your immediate attention. It should be read in its entirety. If you are in any doubt as to how to deal with this Offer Document, you should consult your professional adviser as soon as possible.

No person or entity is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Offer Document. Any information or representation not contained in this Offer Document should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

No updates to Offer Document

The information in this Offer Document may not be complete and may be changed, modified or amended at any time by the Company, and is not intended to, and does not, constitute representations and warranties of the Company. Except as required by law or regulation, neither the Company, nor any other adviser of the Company intends to update this Offer Document or accepts any obligation to provide the recipient with access to information or to correct any additional information or to correct any inaccuracies that may become apparent in the Offer Document or in any other information that may be made available concerning the Company. Potential investors should conduct their own due diligence investigations regarding the Company.

Application Forms

The Application Forms accompanying this Offer Document are important. An Application for New Shares under an Offer can only be submitted on an Application Form. If acceptance is by BPAY® there is no need to return an Application Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement. Please refer to the instructions in Section 3 regarding the acceptance of your Entitlement and completion of the Entitlement and Acceptance Form.

By returning an Application Form, you acknowledge that you have received and read this Offer Document and you have acted in accordance with the terms of the Offers detailed in this Offer Document.

Overseas Shareholders

This Offer Document does not, and is not intended to, constitute an offer of New Shares in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Offer Document.

The Offers are not being extended, and New Shares will not be issued, to Shareholders with a registered address which is outside Australia or New Zealand. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of New Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

No action has been taken to permit the offer of New Shares to existing Shareholders in any jurisdiction other than Australia and New Zealand. This Offer Document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to Shareholders with a registered address in New Zealand, to the extent permitted below.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Speculative investment

An investment in New Shares should be considered highly speculative. Refer to Section 4 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for New Shares should read this Offer Document in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to New Shares.

This Offer Document does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering applying for New Shares have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that New Shares will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Website

No document or information included on the Company's website is incorporated by reference into this Offer Document.

Diagrams

Any diagrams used in this Offer Document are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Offer Document.

Currency

All financial amounts contained in this Offer Document are expressed as Australian dollars unless otherwise stated.

Rounding

Any discrepancies between totals and sums and components in tables contained in this Offer Document are due to rounding.

Time

All references to time in this Offer Document are references to Perth, Australia time, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Offer Document are detailed in the glossary of terms in Section 5.

Offer Document intended to be read in conjunction with publicly available information

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest, including the announcements made by the Company on 17 May 2018.

All announcements made by the Company are available from its website www.paringaresources.com or the ASX website www.asx.com.au.

CORPORATE DIRECTORY

Directors

Mr Ian Middlemas	Chairman
Mr Todd Hannigan	Deputy Chairman
Mr Grant Quasha	Managing Director & CEO
Mr David Gay	Executive Director & President
Mr Jonathan Hjelte	Non-Executive Director
Mr Richard McCormick	Non-Executive Director
Mr Thomas Todd	Non-Executive Director

Company Secretary

Mr Gregory Swan	Company Secretary
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Registered Office

Level 9, 28 The Esplanade
Perth WA 6000
Tel: +61 8 9322 6322
Website: www.paringaresources.com
ASX Code: PNL

Share Registry

Computershare Investor Services Pty
Limited
Level 11, 172 St Georges Terrace
Perth WA 6000

Lawyers

DLA Piper Australia
Level 31
152 - 158 St Georges Terrace
Perth WA 6000

Lead Manager and Underwriter

Argonaut Capital Limited
77 St Georges Terrace
Perth WA 6000

INDICATIVE TIMETABLE

Event	Date
Announcement of Entitlement Offer	Thursday, 17 May 2018
Record Date (5.00pm WST)	Monday, 21 May 2018
Retail Entitlement Offer opens	Thursday, 24 May 2018
Institutional Entitlement Offer and Placement settlement	Monday, 28 May 2018
Issue and quotation of New Shares under Institutional Entitlement Offer and Placement Shares	Tuesday, 29 May 2018
Retail Entitlement Offer closes (5.00pm WST)	Thursday, 7 June 2018
Issue of New Shares under Retail Entitlement Offer (Retail Settlement Date)	Friday, 15 June 2018
Quotation of New Shares under Retail Entitlement Offer	Monday, 18 June 2018
Despatch of holding statements for New Shares under the Retail Entitlement Offer	Tuesday, 19 June 2018

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors (subject to the agreement of the Underwriter) reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Offers at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest in accordance with the Corporations Act.

1. DETAILS OF THE ENTITLEMENT OFFER

1.1 Background

On 17 May 2018 the Company announced that it was undertaking a fundraising initiative to raise a total of approximately \$30.2 million (before costs).

Details of the Entitlement Offer and Placement are set out below.

The key purpose of the Entitlement Offer is to allow the Company to complete the construction of the Poplar Grove Mine, including an optimised coal seam access, upfront equipment lease payments, satisfy the equity condition precedent to drawdown of the Macquarie Bank Limited debt financing facility, and for general working capital purposes.

1.2 Entitlement Offer

The Company is making a non-renounceable accelerated pro rata entitlement offer to eligible Shareholders of New Shares at an issue price of \$0.22 each, on the basis of one (1) New Share for every three (3) Shares held on the Record Date, to raise approximately \$23.2 million (before costs) (**Entitlement Offer**).

The Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84).

The Entitlement Offer is comprised of two components:

- (a) **Institutional Entitlement Offer** - eligible institutional Shareholders were given the opportunity to take up all or part of their Entitlement. Entitlements under the Institutional Entitlement Offer were non-renounceable. This process was completed on 21 May 2018. Entitlements of eligible institutional Shareholders not taken up were sold through a bookbuild process; and
- (b) **Retail Entitlement Offer** - Eligible Retail Shareholders will be allotted Entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. Entitlements under the Retail Entitlement Offer are also non-renounceable.

At the Record Date, the Company expects to have 316,925,699 Shares on issue. Approximately 105,641,900 New Shares may be issued under the Entitlement Offer (subject to rounding).

All of the New Shares will rank equally with the Shares on issue at the date of this Offer Document. Refer to Section 2.15 for a summary of the rights attaching to New Shares.

Where the determination of the Entitlement of any Eligible Retail Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

This Offer Document is also for the offer of New Shares that are not applied for under the Entitlement Offer. Refer to Section 2.4 for further details of the Shortfall Offer.

1.3 The Placement and Institutional Entitlement Offer

On 21 May 2018, the Company successfully completed:

- (a) the Institutional Entitlement Offer to raise approximately \$12.2 million at an issue price of \$0.22 per New Share. Entitlements under the Institutional Entitlement Offer not taken up and Entitlements of Ineligible Shareholders were sold through a bookbuild process; and
- (b) a placement of 31,818,182 Shares at \$0.22 per Share to sophisticated and professional investors to raise approximately \$7.0 million (before costs) (**Placement**).

The Shares issued pursuant to the Placement (**Placement Shares**) have the same rights as the New Shares being offered under the Entitlement Offer as detailed in Section 2.4. The Placement Shares will not carry any entitlement to participate in the Entitlement Offer.

New Shares under Institutional Entitlement Offer and Placement Shares are expected to be issued on 29 May 2018.

1.4 The Retail Entitlement Offer

Eligible Retail Shareholders are being invited to subscribe for one (1) New Share for every three (3) Shares held on the Record Date at the Offer Price of \$0.22 per New Share.

The offer ratio and offer price for New Shares under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer.

The Retail Entitlement Offer opens on 24 May 2018 and will close at 5.00pm (WST) on 7 June 2018 (unless extended or withdrawn).

1.5 Reasons for the Placement and Entitlement Offer

The purpose of the Placement and Entitlement Offer is to allow the Company to complete the construction of the Poplar Grove Mine, including an optimised coal seam access, upfront equipment lease payments, satisfy the equity condition precedent to drawdown of the Macquarie Bank Limited debt financing facility, and for general working capital purposes.

The Company will use the funds raised from the Placement and Entitlement Offer (after costs) for:

- (a) construction of the Poplar Grove Mine; and
- (b) working capital purposes.

The Company intends to apply the funds raised from the Placement and Entitlement Offer as follows:

Description	\$
Poplar Grove Mine plant and infrastructure ¹	\$18.4 million
Poplar Grove Mine mining equipment deposits ¹	\$3.7 million
Working capital ²	\$6.0 million
Estimated costs of the Entitlement Offer and Placement ³	\$2.1 million
Total	\$30.2 million

¹ Assumes an AUD:USD exchange rate of 0.75.

² Working capital includes costs associated with staffing, office, corporate and administration.

³ Includes a financial advisory fee of \$20,000 per month and an underwriting fee of 6% of funds raised under the Placement and Entitlement Offer, payable to the Underwriter pursuant to a mandate dated 15 May 2018 and the Underwriting Agreement.

The Board believes that based on current cash reserves, expected net funds raised from the Placement and Entitlement Offer, and assuming availability of the Project Loan Facility (which remains conditional upon satisfaction of certain conditions precedent), the Company will have sufficient funding to complete the construction of the Poplar Grove Mine and to maintain adequate liquidity to satisfy working capital requirements through to positive cash flow from production.

The above table is a statement of the Board's intentions as at the date of this Offer Document. The allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

1.6 Capital structure

On the basis that the Company completes the Placement and the Entitlement Offer, the Company's capital structure will be as follows:

	Number of Shares	Number of options	Number of Performance Rights
Balance as at the date of this Offer Document ¹	316,925,699	14,938,444 ⁽¹⁾	16,830,000 ⁽²⁾
To be issued under the Placement ⁽³⁾	31,818,182	-	-
To be issued under the Offers ⁽⁴⁾	105,641,900	-	-
Total following Offers	454,385,781	14,938,444	16,830,000

¹ Comprising:

- (i) 1,500,000 unquoted options exercisable at \$0.45 on or before 30 June 2018;
- (ii) 7,494,000 unquoted options exercisable at \$0.50 on or before 31 July 2018;
- (iii) 1,000,000 unquoted options exercisable at \$0.45 on or before 31 December 2018;
- (iv) 500,000 unquoted options exercisable at \$0.50 on or before 31 December 2018; and
- (v) 4,444,444 unquoted options exercisable at \$0.66 on or before 6 April 2021.

In addition to the options on issue, the Company has also agreed to issue:

- (i) 4,444,444 unquoted options exercisable at \$0.34 to Macquarie Bank Limited upon drawdown of the facility and expiring 4 years after the date of issue; and
- (ii) 6,000,000 unquoted options exercisable at \$0.33 on or before 30 June 2021 to Argonaut Capital Limited upon completion of the Placement and Offers.

² Comprising:

- (i) 3,535,000 unquoted performance rights subject to various performance conditions and expiring on 31 December 2018;
- (ii) 5,835,000 unquoted performance rights subject to various performance conditions and expiring on 31 December 2019; and
- (iii) 7,460,000 unquoted performance rights subject to various performance conditions and expiring on 31 December 2020.

In addition to the performance rights on issue, the Company has also agreed to issue:

- (i) 200,000 unquoted performance rights subject to various performance conditions and expiring on 31 December 2019; and
- (ii) 600,000 unquoted performance rights subject to various performance conditions and expiring on 31 December 2020.

³ The Placement Shares will not carry any entitlement to participate in the Entitlement Offer.

⁴ Subject to rounding. Assumes no Shares are issued pursuant to the exercise of options or vesting of the Performance Rights.

2. FURTHER DETAILS OF THE ENTITLEMENT OFFER

2.1 Minimum subscription

There is no minimum subscription for the Entitlement Offer. The Entitlement Offer is fully underwritten on the terms detailed in Section 2.6.

2.2 Entitlements and acceptance

The Entitlement of Eligible Retail Shareholders to participate in the Retail Entitlement Offer is determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document.

Acceptance of a completed Entitlement and Acceptance Form and Application Monies by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares.

If an Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

2.3 No rights trading

The rights to New Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Retail Entitlement Offer to any other party. If you do not take up your Entitlement by the Closing Date, the Retail Entitlement Offer to you will lapse.

2.4 Shortfall Offer

Any New Shares under the Entitlement Offer that are not applied for will form the Shortfall Shares. The offer to issue Shortfall Shares is a separate offer under this Offer Document (**Shortfall Offer**).

Under this Offer Document, the Company offers to issue the Shortfall Shares to investors at \$0.22 each, being the same price as the New Shares being offered under the Entitlement Offer.

The Shortfall Offer is currently scheduled to close on the Closing Date but the Directors (subject to the agreement of the Underwriter) reserve the right to extend the date that the Shortfall Offer closes by up to three months after the closing date of the Retail Entitlement Offer, without prior notice.

Eligible Retail Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form (refer to Section 3.1(b) for further details). See Section 2.5 for further details on the Shortfall allocation policy.

An Application for Shortfall Shares accompanied by payment of Application Monies does not guarantee the allotment of any Shortfall Shares. The Shortfall Shares will be allocated within three months after the Closing Date.

2.5 Shortfall allocation policy

Unless otherwise agreed between the Company and the Underwriter, if there is a Shortfall, the Company will allocate Shortfall Shares according to the following priority:

- (a) Shortfall Shares may be allocated to any Eligible Retail Shareholders who apply for Shortfall Shares under the Shortfall Offer, at the absolute discretion of the Directors.
- (b) If following the allocation in paragraph (a), there remains a Shortfall, those unallocated Shortfall Shares will then be allocated to the Underwriter in accordance with the Underwriting Agreement. The Underwriter intends to allocate these Shortfall Shares to various sub-underwriters, including the sub-underwriter described in Section 2.6.

Shortfall Shares will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

2.6 Underwriting

The Entitlement Offer and Placement is fully underwritten by Argonaut Capital Limited pursuant to the Underwriting Agreement.

Underwriting Agreement

Pursuant to the Underwriting Agreement, the Underwriter has agreed to underwrite the Shortfall Shares remaining after the Company has determined which New Shares it will issue in accordance with the allocation policy detailed in Section 2.5, at the issue price of \$0.22 each.

The obligations of the Underwriter with respect to the Retail Entitlement Offer are subject to a number of conditions precedent, including:

- (a) the Company issuing the New Shares pursuant to the Institutional Entitlement Offer and Placement;
- (b) the due diligence questionnaire and due diligence report provided by the Company to the Underwriter not being withdrawn, or varied without the prior written consent of the Underwriter (which consent may not be unreasonably withheld or delayed), on or prior to 9.30am on the Retail Settlement Date; and
- (c) the Underwriter receiving a certificate by not later than 8.30am on the Retail Settlement Date which contains statements confirming that the Company has complied with all obligations required by law in respect of the Offers, that the Company has complied with its obligations under the Underwriting Agreement, including that its representations or warranties remain true, correct and not misleading or deceptive, and no termination event under the Underwriting Agreement has occurred.

The Company has agreed to pay the Underwriter an underwriting fee of 6% on the gross proceeds of the Offers.

The Underwriter may terminate its obligations under the Underwriting Agreement if any one or more of the events described in Schedule 1 occurs at any time prior to the Closing Date.

The Underwriting Agreement also contains a number of representations and warranties from the Company and the Underwriter that are considered standard for an agreement of this type.

Sub-Underwriting

The Underwriter and Arredo Pty Ltd (an entity controlled by Mr Ian Middlemas) have entered into a sub-underwriting agreement pursuant to which Arredo Pty Ltd has agreed to act as a sub-underwriter to the Entitlement Offer to subscribe for any Shortfall Shares allocated to it by the Underwriter, as follows:

Director	Shares	Entitlement⁽¹⁾	Maximum commitment for additional Shortfall Shares under the respective sub-underwriting agreement
Arredo Pty Ltd (an entity controlled by Mr Ian Middlemas)	10,000,000	3,333,334	\$500,000 (2,272,728 Shares)

¹ Assumes no options are exercised and no performance rights vest prior to the Record Date.

The sub-underwriting agreement provides that Arredo Pty Ltd will be allocated a maximum number of Shortfall Shares (outlined in the table above) such that its respective relevant interest in the Company (following completion of the Entitlement Offer) will not exceed 19.9%. A fee of 1.5% of the sub-underwritten amount is payable by the Underwriter to Arredo Pty Ltd in association with its sub-underwriting of the Entitlement Offer.

2.7 Dilution and effect on the control of the Company

Shareholders should note that if they do not participate in the Entitlement Offer and following settlement of the Institutional Entitlement Offer and Placement, their holdings are likely to be diluted by approximately 30% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

No New Shares will be issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

The Offers are not expected to give rise to control implications for the Company albeit that the effect of the Offers on the voting power in the Company, for the purposes of the Corporations Act, is dependent upon the number of New Shares and Shortfall Shares taken up.

2.8 Directors' Interests

Each Director's interest in the securities of the Company as at the date of this Offer Document and their Entitlement is detailed in the table below.

Director	Shares	Options	Performance Rights	Entitlement ⁽¹⁾
Mr Ian Middlemas	10,000,000	-	-	3,333,334 ⁽²⁾
Mr Todd Hannigan	8,520,828	2,375,000	2,500,000	2,840,276 ⁽³⁾
Mr Grant Quasha	-	-	3,500,000	-(4)
Mr David Gay	2,910,338	-	3,000,000	-(4)
Mr Jonathan Hjelte	1,449,001	500,000	-	-(4)
Mr Richard McCormick	1,000,000	-	-	-(4)
Mr Thomas Todd	4,930,769	2,375,000	1,250,000	1,643,590 ⁽³⁾

¹ Assumes no options are exercised and no performance rights vest prior to the Record Date.

² In addition to Mr Ian Middlemas' respective Entitlement, Mr Middlemas intends to support the Entitlement Offer by acting as a sub-underwriter. Refer to Section 2.6 for details.

³ Messrs Todd Hannigan and Thomas Todd participated in the Institutional Entitlement Offer, subscribing for their maximum respective Entitlement.

⁴ Messrs Grant Quasha, David Gay, Jonathan Hjelte and Richard McCormick are Ineligible Shareholders and are therefore not entitled to participate in the Entitlement Offer.

2.9 Ineligible Shareholders

No Offer will be made to Shareholders with a registered address outside Australia and New Zealand (**Ineligible Shareholders**).

The Company is of the view that it is unreasonable to make the Offers to the Ineligible Shareholders due to a small number of such Shareholders and the number and value of New Shares these Shareholders would be offered, the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand, and the administrative burden that will place on the Company in making the Offers available to Shareholders outside Australia and New Zealand.

This Offer Document and the Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

2.10 Notice to nominees and custodians

Persons acting as nominees or custodians for other persons must not take up Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any persons outside Australia and New Zealand.

Nominees and custodians may not distribute any part of this Offer Document or the Entitlement and Acceptance Form in any other country outside Australia and New Zealand without the consent of the Company, taking into consideration applicable securities laws.

2.11 Opening and closing dates

The Company will accept Entitlement and Acceptance Forms in respect of the Entitlement Offer from Eligible Retail Shareholders from the Opening Date until

5.00pm (WST) on the Closing Date or such other date as the Directors (subject to the agreement of the Underwriter) shall determine, subject to the Listing Rules.

A completed Application Form, or payment made by BPAY®, must be received no later than 5.00pm (WST) on the Closing Date. It is the responsibility of all Eligible Retail Shareholders to ensure that their Application Form or BPAY® payments are received by the Company on or before the Closing Date.

The Shortfall Offer is currently scheduled to close on the Closing Date but the Directors reserve the right (subject to the agreement of the Underwriter) to extend the date that the Shortfall Offer closes by up to three months after the Closing Date, without prior notice.

2.12 Issue and Dispatch

It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

The issue of New Shares and dispatch of holding statements are expected to occur on the dates specified in the Indicative Timetable.

2.13 Application Monies held on trust

All Application Monies will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Offer Document until the New Shares are issued. All Application Monies will be returned without interest in accordance with the Corporations Act if the New Shares are not issued.

2.14 Application Forms and BPAY® payments

Acceptance of a completed Application Form, or alternatively, a BPAY® payment, by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of New Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision whether to treat a completed Application Form as valid and how to construe, amend or complete the Application Form is final.

2.15 Rights and liabilities attaching to New Shares

The New Shares will rank equally in respect of dividends and have the same rights in all other respects (e.g. voting, bonus issues) as existing Shares.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The Company does not currently intend to pay any dividends. Payment of dividends by the Company will be at the discretion of the Board after taking into account many factors, including, but not limited to, the Company's operating results, financial condition and current and anticipated cash needs.

2.16 ASX quotation

Application will be made to ASX no later than seven days after the date of this Offer Document for Official Quotation of the New Shares. If ASX does not grant Official Quotation of the New Shares within three months after the date of this Offer Document (or such period as the ASX allows), no New Shares will be issued or allotted under the Offers and the Company will return all Application Monies without interest in accordance with the Corporations Act.

ASX takes no responsibility for the contents of this Offer Document. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the New Shares.

2.17 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Offer Document, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

2.18 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website www.paringaresources.com or the ASX website www.asx.com.au.

Additionally, the Company is required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the websites of the Company and ASX.

2.19 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. Applicants should consult their own professional tax adviser to obtain advice in relation to the taxation laws, regulations and implications applicable to their personal circumstances.

2.20 Risks of the Offers

As with any securities investment, there are risks associated with investing in the Company. However, having regard to the risks applicable to the Company detailed in Section 4, Eligible Retail Shareholders should be aware that an investment in the New Shares should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Offer Document in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 4), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

2.21 Withdrawal

The Directors may at any time decide to withdraw this Offer Document and the Offers, in which case, all Application Monies will be returned without interest in accordance with the Corporations Act.

2.22 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes detailed in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on Application Form, the Company may not accept or process your Application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

2.23 Cleansing Statement

The Company lodged a Cleansing Statement with ASX on 17 May 2018. The Cleansing Statement may be reviewed on the websites of the Company and ASX.

2.24 Enquiries concerning Offer Document or Entitlement and Acceptance Form

If you have any questions in relation to this Offer Document or the Entitlement and Acceptance Form, please contact the Company Secretary, Gregory Swan, on +61 8 9322 6322.

3. ACTION REQUIRED BY APPLICANTS

3.1 Eligible Shareholders

Your entitlement to participate in the Retail Entitlement Offer will be determined on the Record Date. The number of New Shares which Eligible Retail Shareholders are entitled to is shown on the personalised Entitlement and Acceptance Form accompanying this Offer Document.

If you do not accept your Entitlement, then your percentage holding in the Company will be diluted.

If you are an Eligible Shareholder you may:

- accept all of your Entitlement (refer to Section 3.1(a));
- accept all of your Entitlement and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares (refer to Section 3.1(b));
- accept part of your Entitlement and allow balance to lapse (refer to Section 3.1(c));
- allow all of your Entitlement to lapse (refer to Section 3.1(d)).

(a) *Acceptance of ALL of your Entitlement under the Entitlement Offer*

If you wish to accept your Entitlement in full, you should complete the Entitlement and Acceptance Form in accordance with the instructions contained in this Offer Document and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer and the total Application Monies (calculated at \$0.22 per New Share accepted under the Entitlement Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 3.3, to the Share Registry so that it is received at the following address by no later than 5.00pm (WST) on the Closing Date.

Mailing Address	Hand Deliver Address
Computershare Investor Services Pty Limited GPO Box 505 Melbourne VIC 3001 Australia	Computershare - Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Australia

(b) *Acceptance of ALL of your Entitlement and applying for Shortfall Shares*

If you wish to accept your Entitlement in full and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares, you should complete the Entitlement and Acceptance Form in accordance with the instructions contained in this Offer Document and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer and apply for under the Shortfall Offer and the total Application Monies (calculated at \$0.22 per New Share accepted under the Entitlement Offer and applied for under the Shortfall Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 3.3, to the Share Registry so that it is received at the following address by no later than 5.00pm (WST) on the Closing Date.

Mailing Address	Hand Deliver Address
Computershare Investor Services Pty Limited GPO Box 505 Melbourne VIC 3001 Australia	Computershare - Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Australia

(c) *Acceptance of PART of your Entitlement and allowing the balance to lapse*

If you wish to accept part of your Entitlement and allow the balance to lapse, you should complete the Entitlement and Acceptance Form in accordance with the instructions contained in this Offer Document and detailed on the Entitlement and Acceptance Form, including the number of New Shares you wish to accept under the Entitlement Offer and the total Application Monies (calculated at \$0.22 per New Share accepted under the Entitlement Offer). Please read the instructions carefully.

Please return the completed Entitlement and Acceptance Form, together with the Application Monies (in full) in accordance with Section 3.3, to the Share Registry so that it is received at the following address by no later than 5.00pm (WST) on the Closing Date.

Mailing Address	Hand Deliver Address
Computershare Investor Services Pty Limited GPO Box 505 Melbourne VIC 3001 Australia	Computershare - Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Australia

(d) *Allowing all of your Entitlement to lapse*

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The number of Shares you currently hold and the rights attaching to those Shares will not be affected should you choose not to accept your Entitlement, however, your percentage holding in the Company will be diluted.

(e) *Enquiries concerning your Entitlement*

If you have any queries concerning your Entitlement, please contact the Company Secretary, Gregory Swan, on +61 8 9322 6322.

3.2 Ineligible Shareholders

If you are an Ineligible Shareholder, you may not accept any of, or do anything in relation to, your Entitlement. Refer to Section 2.8 for treatment of Ineligible Shareholders.

3.3 Payment

The offer price of New Shares under the Offers is \$0.22 per New Share.

Application Monies must be received by the Company by 5.00pm (WST) on the Closing Date.

Completed Application Forms must be accompanied by a cheque, bank draft or money order drawn in Australian dollars, made payable to 'Paringa Resources Limited' and crossed 'Not Negotiable'.

Eligible Retail Shareholders participating in the Entitlement Offer, and who wish to pay via BPAY® must follow the instructions on the Entitlement and Acceptance Form. You will be deemed to have accepted all or part of your Entitlement (as applicable) upon receipt of the BPAY® payment by the Company.

If paying via BPAY®, Eligible Retail Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of Eligible Retail Shareholders to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company shall not be responsible for any postal or delivery delays, or delay in the receipt of the BPAY® payment.

3.4 Representations by Applicants

By completing and returning an Application Form or by paying any Application Monies by BPAY®, in addition to the representations set out elsewhere in this Offer Document and the Application Form, you:

- (a) if participating in the Retail Entitlement Offer, represent to the Company that you are an Eligible Shareholder;
- (b) acknowledge that you have received a copy of this Offer Document and an accompanying Application Form, and read them both in their entirety;
- (c) agree to be bound by the terms of the Offers, the provisions of this Offer Document and the Constitution;
- (d) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (e) declare that all details and statements in the Application Form are complete and accurate;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (g) acknowledge that once the Application Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law;
- (h) agree to accept and be issued up to the number of New Shares specified in the Application Form at the issue price of \$0.22 per New Share;
- (i) authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;

- (j) if participating in the Retail Entitlement Offer, declare that you were the registered holder at 5.00pm (WST) on the Record Date of the Shares indicated on your personalised Entitlement and Acceptance Form as being held by you at 5.00pm (WST) on the Record Date;
- (k) acknowledge and agree that determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company and/or the Underwriter;
- (l) acknowledge the statement of risks in Section 4 and that an investment in the Company is subject to risk;
- (m) represent and warrant (for the benefit of the Company, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- (n) represent and warrant that the law of any place does not prohibit you from being given this Offer Document and the Application Form, nor does it prohibit you from accepting New Shares and that if you participate in the Retail Entitlement Offer, that you are eligible to do so; and
- (o) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States.

3.5 Brokerage

No brokerage or stamp duty is payable by Eligible Retail Shareholders who accept their Entitlement.

4. RISKS

4.1 Introduction

The New Shares are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks described below, together with information contained elsewhere in this Offer Document, before deciding whether to accept their Entitlement or otherwise apply for New Shares.

The following list of risks ought not to be taken as an exhaustive list of all the risks faced by the Company or by Shareholders. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be managed and mitigated by planning and the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Company or the Directors and cannot be mitigated.

4.2 Specific investment risks

(i) Project development

The Company has not yet completed the development of the Poplar Grove Mine and does not expect to commence production at the Poplar Grove Mine until Q4 of 2018. The Company expects to incur significant capital expenditures during the continued development of the Poplar Grove Mine. The Company may encounter unexpected difficulties, including shortages of materials or delays in delivery of materials, unexpected operational events, facility or equipment malfunctions or breakdowns, unusual or unexpected adverse geological conditions, cost overruns, regulatory issues, adverse weather conditions and other catastrophes, such as explosions, fires, floods and accidents, increases in the level of labor costs and the existence of any labor disputes, and adverse local or general economic or infrastructure conditions. In addition, there will be operating losses which need to be funded as the Poplar Grove Mine undergoes commissioning and ramps up to full production. Accordingly, the Company may not be able to complete the development of the Poplar Grove Mine on schedule, at the budgeted cost or at all, and any delays beyond the expected development periods or increased costs above those expected to be incurred could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and ability to pay dividends to Shareholders.

(ii) Feasibility Study

Feasibility studies, including the Company's bankable feasibility study, are used to determine the economic viability of a mineral deposit. Such studies require the Company to make numerous assumptions, including assumptions about capital and operating costs and future coal prices. These assumptions are made at the time the study is completed based on information then available. Actual costs or revenues may vary significantly and adversely from the estimates used in such studies, including the bankable feasibility study. Accordingly, the economic viability of the Poplar Grove Mine, or the amount of mineral deposits that the Company will be able to economically extract, may differ materially from previous estimates provided by the Company.

(iii) Regulatory risk

Mining companies must obtain numerous regulatory permits that impose strict conditions on various environmental and safety matters in connection with coal mining. The permitting rules are complex and change over time, potentially in ways that may make mining companies' ability to comply with the applicable requirements more difficult or impractical or even preclude the continuation of ongoing operations or the development of future mining operations. If the Company is unable to obtain and renew applicable permits, leases or other rights necessary for its operations, there may be adverse implications for the Company's production, results of operations or cash flow

(iv) Commodity prices

The value of the Company's assets may be affected by fluctuations in commodity prices and exchange rates, such as the USD denominated Illinois Basin thermal coal prices and the AUD / USD exchange rate.

These prices can fluctuate, and are affected by numerous factors beyond the control of the Company. These factors include weather patterns, demand for alternative energy sources, forward selling by producers, and production cost levels of substitute fuels (such as natural gas). Other factors include expectations regarding inflation, the financial impact of movements in interest rates, coal price forward curves, global economic trends, confidence and conditions, and domestic and international fiscal, monetary and regulatory policy settings. Future production from the Company's mineral properties will be dependent upon the Illinois Basin thermal coal price being sufficient to make these properties economic.

If the Company achieves development success which leads to viable mining production, its financial performance will be highly dependent on the prevailing commodity prices.

These factors can affect the value of the Company's assets and the supply and demand characteristics of Illinois Basin thermal coal, and may have an adverse effect on the viability of the Company's development and production activities, its ability to fund those activities and the value of its assets.

(v) Capital requirements and debt finance risk

In addition to the Entitlement Offer and Placement, the Company has entered into a US\$21.7 million debt financing facility with Macquarie Bank Limited which is subject satisfaction of a number of conditions precedent prior to first drawdown including an equity commitment of at least US\$18.5 million, completion of legal due diligence by Macquarie Bank Limited, execution of tripartite agreements with Komatsu and Fricke, compliance with certain financial covenants and no material adverse change with respect to the Company. Drawdown of tranche 2 of the facility is conditional on a number of conditions precedent including drawdown of Tranche 1 of the facility, the satisfaction of the Tranche 1 drawdown conditions precedent and the execution of an additional coal sales contract for specified amounts before 31 October 2018. There is no assurance that the conditions precedent for drawdown of Tranche 1 or Tranche 2 of the facility will be satisfied.

The Company may not be able to complete the development of the Poplar

Grove Mine within the proposed timeframe and for the estimated capital costs or may be required to limit the scope of its anticipated operations, which could adversely impact its business, financial condition and the value of its Shares.

If the Company requires further funding for the development of the Poplar Grove Coal Mine, and sufficient funds are not available from either debt or equity markets to satisfy the Company's requirements, the Company may be required to reduce the scope of its operations and scale back its development programme as the case may be. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

- (vi) The Company may be adversely affected by fluctuations in foreign exchange rates

The Company operates in the USA where the Company's capital expenditure and ongoing expenditure and sales contracts are denominated in United States Dollars. The Company currently does not engage in any hedging or derivative transactions to manage foreign exchange risk. Upon completion of the offer of New Shares, the Company intends to convert some or all of the Australian dollar proceeds raised into United States Dollars. As the Company's operations change, its directors will review this policy periodically going forward. There can be no assurance that fluctuations in foreign exchange rates will not have a material adverse effect upon the Company's financial performance and results of operations.

- (vii) The Company has no history of earnings and no production revenues

The Company has no recent history of earnings and has not commenced commercial production on any of its properties. The Company has experienced losses from exploration operations and expects to continue to incur losses until production commences and reaches the required level. There can be no assurance that the Company will be profitable in the future. The Company's operating expenses and capital expenditures are likely to increase in coming months as needed for consultants, personnel and equipment associated with construction, commissioning, ramp up and commercial production of its operations. The amounts and timing of expenditures will depend on the progress of construction activities and production ramp up.

The Company expects to continue to incur losses until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations.

- (viii) The Company has limited operating history

The Company has limited operating history on which it can base an evaluation of its prospects. The Company may encounter risks and difficulties experienced by companies whose performance is dependent upon newly-constructed assets, such as any one of our properties failing to perform as expected, having higher than expected operating costs, having lower than expected customer revenues, or suffering equipment breakdown, failures or operational errors. Despite this, members of the Company's Board of Directors and management team have considerable experience in developing and mining of coal projects both globally and within the USA.

The future success of the Company is dependent upon a number of factors, including the successful construction and commissioning of the Poplar Grove Mine.

(ix) Title to Properties

There are no assurances that the property title for the Company's projects are free from defects. There is no assurance that such rights and title interests will not be revoked or significantly altered to the detriment of the Company. There can be no assurances that the Company's rights and title interests will not be challenged or impugned by third parties. Defects in title could limit the Company's ability to recover coal from these properties or result in significant unanticipated costs.

The Company conducted its exploration and development activities on properties that are leased. The mine portal and coal handling and preparation plant will be constructed on land owned by the Company. However, as is standard industry practice in the USA, title to most of the Company's leased properties and mineral rights is not thoroughly verified by an attorney until a permit to mine the property is obtained and substantial construction activities have commenced, and in some cases, title is never fully verified by an attorney. Accordingly, actual or alleged defects in title or boundaries may exist, which may result in the loss of the Company's right to mine on the property or in unanticipated costs to obtain leases or mining contracts to allow the Company to conduct its mining operations on the property, which could adversely affect its business and profitability. In addition, from time to time, the rights of third parties for competing uses of adjacent, overlying or underlying lands, such as oil and gas activity, coalbed methane, pipelines, roads, easements and public facilities, may affect the Company's ability to operate as planned if its title is not superior or arrangements cannot be negotiated.

In order to obtain, maintain or renew leases or mining contracts to conduct mining operations on property where these defects exist, the Company may in the future have to incur unanticipated costs. In addition, the Company may not be able to successfully negotiate new leases or mining contracts for properties containing additional reserves, or maintain its leasehold interests in properties where it has not commenced mining operations during the term of the lease. As a result, the Company's results of operations, business and financial condition may be materially adversely affected.

(x) Agreements for sales or off-take

The Company has entered into a coal sales agreement with LG&E for the physical delivery of some or all of its expected coal from its projects. The Company may enter into additional coal sales contracts.

These contracts are generally designed to provide protection against the fluctuations in the price of coal. If the Company fails to meet its obligations in terms of product quantity, quality or timing of supply, it may face a risk that the contract is cancelled. This could have a material adverse effect upon the Company's financial performance and results of operations.

(xi) Additional agreements for sales or off-take

To date, the Company has only entered into one sales and off-take agreement in respect of its planned coal production from its projects. This

agreement is with LG&E.

The Company may have difficulty in finding additional off-take partners who are prepared to enter into long term off-take agreements with a party that does not have a proven production profile. If the Company is not able to negotiate such long term agreements then the expansion of the project, in particular the Cypress Mine, may be delayed or prevented.

Assuming the Company is able to secure additional sales or off-take agreements in the future, it may depend upon a small number of large customers, the loss of any of which, or inability to collect payment from, could adversely affect its results of operations and financial condition.

Furthermore, the Company's ability to receive payment for coal sold and delivered depends on the continued creditworthiness of its customers. If it is unable to collect payments from any of these customers, its financial condition and results of operations could be materially adversely affected. Should the Company be unable to find customers to purchase its produced volume, its financial results may be adversely affected.

(xii) Mineral resource and mineral reserve estimates

The Company's mineral resources and mineral reserves are estimates. Such estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Mineral resource and reserve estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

For most new mine developments the actual quality and characteristics of mineral deposits cannot be known until mining takes place, and will almost always differ from the assumptions used to develop resources. Further, mineral reserves are valued based on future costs and future prices and consequently, the actual mineral reserves and mineral resources may differ from those estimated, which may result in either a positive or negative effect on operations. Any inaccuracy in the Company's mineral reserves and mineral resources estimates could result in lower than expected revenues, higher than expected costs, decreased profitability and asset impairments.

(xiii) Mining Risks

When compared with many industrial and commercial operations, mining and mineral processing projects are relatively high risk. Each mineral deposit is unique. The occurrence and quality of the deposit, as well as its behaviour during mining and processing can never be wholly predicted. Estimations of the tonnes, quality and overall yield of a deposit are not precise calculations but are based on interpretation and samples from drilling, which, even at close drill hole spacing, represent a very small sample of the entire orebody.

(xiv) Operational risk

The Company's development and mining activities will be subject to numerous operational risks, many of which are beyond the Company's control. The Company's operations may be curtailed, delayed or cancelled

as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of consumables, spare parts, plant and equipment, external services failure (such including energy and water supply), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements. Hazards incidental to the development and mining of mineral properties such as unusual or unexpected geological formations may be encountered by the Company. Industrial and environmental accidents could lead to substantial claims against the Company for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

The Company will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Company's performance and the value of its assets.

(xv) Environment

The operations and proposed activities of the Company are subject to State and Federal laws, regulations and permits concerning the environment. If such laws are breached or modified, the Company could be required to cease its operations and/or incur significant liabilities including penalties, due to past or future activities.

As with most mining operations, the Company's activities are expected to have an impact on the environment. It is the Company's intention to conduct its activities to an appropriate standard of environmental obligation, including in compliance in all material respects with relevant environmental laws. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

The Company intends to produce both higher sulfur and low sulfur coal. Significant increases in the price of emissions allowances could reduce the competitiveness of higher sulfur coal compared to low sulfur coal and possibly natural gas at power plants not equipped to reduce sulfur dioxide emissions.

The cost and complexity in complying with the applicable environmental laws and regulations may affect the viability of potential developments of the Company's projects, and consequently the value of those projects, and the value of the Company's assets.

(xvi) Competition

The mineral resource industry is competitive in all of its phases. The Company competes with other companies, including major coal mining companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for sales contracts, the recruitment and retention of qualified employees, coal leases and new business opportunities. If the Company cannot compete effectively with these other companies, it may have a material adverse effect on the Company's performance.

(xvii) Foreign Operations and Government Regulation Risks

The Company's projects are located in the USA and, as such, the operations are exposed to various levels of political, economic and other risks and uncertainties.

Changes in mining or investment policies or shifts in political attitude in the USA may adversely affect the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, increasingly stringent standards for carbon dioxide pollution, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

The mining, processing and development activities of the projects are subject to various laws in the USA governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, indigenous land claims, and other matters.

Furthermore, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of mining, including those aimed at reducing greenhouse gas emissions, or more stringent implementation thereof, could have a substantial adverse impact on the Company.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or challenging of its interests.

(xviii) The Company relies on key personnel

The Company is dependent on a number of key management personnel, including the services of certain key employees and consultants. The Company's ability to manage its development and mining activities will depend in large part on the ability to retain current personnel and attract and retain new personnel, including management, technical and a skilled workforce. The loss of the services of one or more key management personnel could have a material adverse effect on the Company's ability to manage and expand the business.

It may be difficult for the Company to attract and retain suitably qualified and experienced people, given the modest size of the Company compared with other industry participants. If the Company cannot do so, this could have a material adverse effect on the Company's ability to manage and expand the business.

(xix) The Company has uninsured risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions and floods. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death,

environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

- (xx) The Company's partners, contractors and agents may become insolvent

The Directors are unable to predict the risk of financial failure or default by a participant in any venture to which the Company is, or may become a party; or insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or managerial failure by any of the other service providers used by the Company for any activity.

- (xxi) Litigation risks

Legal proceedings may arise from time to time in the course of the Company's activities from parties such as suppliers, customers, regulatory agencies, environmental groups and/or investors. There have been a number of cases where the rights and privileges of mining and exploration companies have been the subject of litigation. The Directors cannot preclude that such litigation may be brought against the Company or a member of the Company in the future from time to time.

- (xxii) Dividends

Payment of future dividends by the Company will be at the discretion of the Company's Board after taking into account many factors, including, but not limited to, the Company's operating results, financial condition and current and anticipated cash needs. As a result, shareholders may have to rely on capital appreciation, if any, to earn a return on investment in the Company in the foreseeable future. Furthermore, the Company may in the future become subject to contractual restrictions on, or prohibitions against, the payment of dividends.

- (xxiii) Changes in law, government policy and accounting standards

The Company's activities may be impacted by regulatory or other changes implemented by the United States of America, the Commonwealth or Western Australian Governments. A change in laws that impact on the Company's operations, such as land access, environmental protection, carbon emissions, labour, mining, taxation and royalties, could have an adverse impact on the Company's operations. Mining industry activities are subject to discretionary regulations and approvals, the exercise of which cannot always be predicted.

Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this presentation may impact adversely on the Company's reported financial performance.

(xxiv) Insurance

The Company intends to ensure that insurance is maintained to address insurable risks within ranges of coverage the Company believes to be consistent with industry practice, having regard to the nature of the Company's activities. However, no assurance can be given that the Company will be able to obtain insurance cover for all risks faced by the Company at reasonable rates or that the insurance cover it arranges will be adequate and available to cover all possible claims. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(xxv) Force majeure events

Events may occur within or outside the United States of America and Australia that could impact upon global, the United States of America, the Australian or other local economies relevant to the Company's financial performance, the operations of the Company and the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. The Company has only a limited ability to insure against some of these risks.

4.3 General investment risks

(i) Price of Shares

The Shares are subject to general market risks applicable to all securities listed on a stock exchange. This may result in fluctuations in the Share price that are not explained by the performance of the Company.

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors, some of which may not relate directly or indirectly to the Company's performance or prospects.

There is no assurance that the price of the Shares will increase in the future, even if the Company's earnings increase.

Some of the factors which may affect the price of the Shares include:

- (A) fluctuations in the domestic and international markets for listed stocks;
- (B) general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices or changes to government;
- (C) fiscal, monetary or regulatory policies, legislation or regulation;
- (D) inclusion in or removal from market indices;

- (E) the nature of the markets in which the Company operates;
- (F) general operational and business risks;
- (G) variations in sector performance, which can lead to investors exiting one sector to prefer another; and
- (H) initiatives by other sector participants which may lead to investors switching from one stock to another.

Deterioration of general economic conditions may also affect the Company's business operations, and the consequent returns from an investment in Shares.

In the future, the sale of large parcels of Shares may cause a decline in the price at which the Shares trade on ASX.

(ii) Tax law and application

The application of and change in relevant tax laws (including income tax, goods and services tax (or equivalent), rules relating to deductible liabilities, or changes in the way those tax laws are interpreted, will or may impact the tax liabilities of the Company or the tax treatment of a Shareholder's investment. An interpretation or application of tax laws or regulations by a relevant tax authority that is contrary to the Company's view of those laws may increase the amount of tax paid or payable by the Company.

Both the level and basis of tax may change. Any changes to the current rate of company income tax (in Australia or the United States) and / or any changes in tax rules and tax arrangements (again in Australia or the United States) may increase the amount of tax paid or payable by the Company, may also impact Shareholder returns and could also have an adverse impact on the level of dividend franking / conduit foreign income and Shareholder returns. In addition, an investment in Shares involves tax considerations which may differ for each Shareholder. Each Shareholder is encouraged to seek professional tax advice in connection with any investment in the Company.

(iii) Force majeure events

Events may occur within or outside Australia and the United States that could impact upon global, Australian, US or other local economies relevant to the Company's financial performance, the operations of the Company and the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. The Company has only a limited ability to insure against some of these risks.

(iv) Accounting standards

Australian Accounting Standards (**AAS**) are adopted by the AASB and are not within the control of the Company and its Directors. The AASB may, from time to time, introduce new or refined AAS, which may affect the future measurement and recognition of key statement of profit or loss and statement of financial position items. There is also a risk that interpretation

of existing AAS, including those relating to the measurement and recognition of key statement of profit or loss or statement of financial position items may differ. Any changes to the AAS or to the interpretation of those standards may have an adverse effect on the reported financial performance and position of the Company.

(v) Shareholder dilution

In the future, the Company may elect to issue further Shares in connection with fundraisings, including to raise proceeds for acquisitions. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such fundraisings.

(vi) Trading in Shares may not be liquid

There is no guarantee that there will be an ongoing liquid market for the Shares. Accordingly, there is a risk that, should the market or the Shares become illiquid, the Shareholders will be unable to realise their investment in the Company.

(vii) General economic and financial market conditions

The operating and financial performance of the Company is influenced by a variety of general domestic and global economic and business conditions that are outside the control of the Company. There is a risk that prolonged deterioration in general economic conditions may impact the demand for the Company's products and negatively impact the Company's financial performance, financial position, cash flows, dividends, growth prospects and Share price.

4.4 Investment highly speculative

The above list of risks ought not to be taken as exhaustive of the risks faced by the Company or by prospective investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares. The New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Prospective investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares.

5. GLOSSARY

In this Offer Document, unless the context otherwise requires:

\$ means Australian dollars.

AAS has the meaning given to that term in Section 4.3.

AASB means the Australian Accounting Standards Board.

Applicant means a person who submits Application Form.

Application means a valid acceptance of New Shares under the Entitlement Offer made pursuant to an Entitlement and Acceptance Form or a valid application for Shortfall Shares under the Shortfall Offer made pursuant to an Entitlement and Acceptance Form or a Shortfall Application Form (as applicable).

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form (as applicable).

Application Monies means application monies for New Shares received by the Company from an Applicant.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits, the market operated by it.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, excluding public holidays in Western Australia and any other day that ASX declares is not a trading day.

CHESS means ASX Clearing House Electronic Subregistry System.

Cleansing Statement means the notice lodged by the Company with ASX in accordance with section 708AA(2)(f) of the Corporations Act in respect of the Entitlement Offer.

Closing Date means the date referred to as such in the Indicative Timetable.

Company or **Paringa** means Paringa Resources Limited ACN 155 933 010.

Constitution means the constitution of the Company as at the date of this Offer Document.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Eligible Retail Shareholder means a person who:

- (a) is a Shareholder at 5.00pm (WST) on the Record Date;
- (b) has a registered address in Australia or New Zealand, as recorded with the Share Registry as at the Record Date; and

- (c) was not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and was not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer.

Entitlement means a Shareholder's entitlement to subscribe for New Shares under the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to, or accompanying this Offer Document, that sets out the entitlement of an Eligible Shareholder to subscribe for New Shares pursuant to the Entitlement Offer.

Entitlement Offer has the meaning given to that term in Section 1.2.

Indicative Timetable means the indicative timetable on page 1 of this Offer Document.

Ineligible Shareholder has the meaning given to that term in Section 2.8.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHES.

Lead Manager means Argonaut Capital Limited.

Listing Rules means the official listing rules of ASX.

New Share means a Share offered pursuant to this Offer Document.

Offer Document means this offer document dated 21 May 2018.

Offers means the Entitlement Offer and Shortfall Offer.

Official Quotation means quotation of Shares on the official list of ASX.

Opening Date means the date referred to as such in the Indicative Timetable.

Placement has the meaning given to that term in Section 1.3.

Placement Shares has the meaning given to that term in Section 1.3.

Poplar Grove Mine means the Poplar Grove Mine operated by the Company and located in western Kentucky, Illinois Basin.

Project Loan Facility means the loan facility provided by Macquarie Bank Limited.

Record Date means the date referred to as such in the Indicative Timetable.

Retail Entitlement Offer means the offer of New Shares to Eligible Retail Shareholders under the Entitlement Offer.

Retail Settlement Date means the date referred to as such in the Indicative Timetable.

Schedule means the schedule to this Offer Document.

Section means a section of this Offer Document.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of Shares.

Share Registry means Computershare Investor Services Pty Limited.

Shortfall means the New Shares not applied for under the Retail Entitlement Offer.

Shortfall Application Form means the application form attached to, or accompanying this Offer Document, to be used for the purposes of applying for Shortfall Shares under the Shortfall Offer.

Shortfall Offer has the meaning given to that term in Section 2.4.

Shortfall Shares means the New Shares constituting the Shortfall.

Underwriter means Argonaut Capital Limited.

Underwriting Agreement means the underwriting agreement between the Company and the Underwriter dated 17 May 2018.

Schedule 1 - Underwriter Termination Events

2. Absolute Termination Events

The Underwriter may terminate the Underwriting Agreement if any one or more of the following events occurs:

- (a) **(ASX approval)** unconditional approval by ASX for official quotation of the Shares offered under the Entitlement Offer and Placement (including any Shortfall Shares) is refused or is not granted or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offers) or withdrawn;
- (b) **(Listing)** the Company ceases to be admitted to the official list of ASX or the Shares are suspended for no more than 5 Business Days, from trading on, or cease to be quoted on ASX;
- (c) **(Insolvency)** the Company is insolvent or there is an act or omission, or a circumstance arises, which will result in the Company becoming insolvent;
- (d) **(Withdrawal)** the Company withdraws all or any part of the Offers without the prior written consent of the Underwriter (such consent to be withheld in the Underwriter's absolute discretion);
- (e) **(Information Documents)** The Information Documents omit any material information required by the Corporations Act or any other applicable law, contains a statement which is or becomes misleading or deceptive or is likely to mislead or deceive or otherwise fails to comply with the Corporations Act;
- (f) **(Illegality)** There is an event or occurrence, including any statute, order, rule or regulation or order of any Government Agency which makes it illegal for the Underwriter to satisfy an obligation under the Underwriting Agreement to underwrite any of the Shares offered under the Entitlement Offer and Placement (including any Shortfall Shares);
- (g) **(ASIC)** ASIC:
 - (i) makes an application for an order under Part 9.5 in relation to the Offers or the Information Documents;
 - (ii) commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Offers or the Information Documents;
 - (iii) holds, or gives notice of an intention to hold, a hearing or investigation in relation to the Offers or the Company; or
 - (iv) prosecutes or gives notice of an intention to prosecute or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its directors, officers, employees or agents in relation to the Offers;
- (h) **(Index Fall)**: The S&P / ASX All Ordinaries Index (ASX Code: XAO) falls more than 10% from the date of the Underwriting Agreement and remains at that level for at least a period of 3 consecutive Business Days; or

- (i) **(Warranties)** A representation or warranty made or given by the Company under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.

3. Qualified Termination Events

If the Underwriter has reasonable grounds to believe and does believe that one of the following events:

- (a) has or is likely to have a materially adverse effect on the success of, ability of the Underwriter to market, or settlement of, the Offers (irrespective of whether or not the Offers have opened); or
- (b) has given or could reasonably be expected to give rise to a contravention by, or a liability of, the Underwriter under any law or regulation,

the Underwriter may terminate the Underwriting Agreement. The events are as follows:

- (a) **(Disqualification)** a director of the Company is disqualified from managing a corporation under Part 2D.6;
- (b) **(Prosecution)** a director, the chief executive officer or the chief financial officer of the Company commits an act of fraud or is charged with an indictable offence relating to any financial or corporate matter;
- (c) **(Certificate)** a certificate which is required to be given by the Company under the Underwriting Agreement is untrue or misleading or deceptive as detailed in Section 2.6(c);
- (d) **(Compliance with regulatory requirements)** the Company fails to comply with the Listing Rules, the Corporations Act, or other applicable laws;
- (e) **(Suspension or limitation on trading)** trading in all securities quoted or listed on ASX is suspended or limited for one or substantially all of a day on which that exchange is open for trading;
- (f) **(Moratorium)** a general moratorium on commercial banking activities in Australia, the United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries;
- (g) **(Hostilities)** the outbreak of hostilities not presently existing (whether war has been declared or not), or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, United States of America, Japan or United Kingdom;
- (h) **(Breach)** the Company breaches or fails to perform or observe any of its obligations or undertakings under the Underwriting Agreement;
- (i) **(Change in management)** there is a change (or a change is announced) in the directors, the chief executive officer or the chief financial officer of the Company, other than one which has already been disclosed to ASX before the date of the Underwriting Agreement;

- (j) **(Prescribed Occurrence)** a Prescribed Occurrence in respect of the Company occurs, other than:
 - (i) as contemplated by the Underwriting Agreement; or
 - (ii) as permitted with the Underwriter' written consent, which may be withheld in the Underwriter's sole discretion);
- (k) **(Supplementary disclosure under ASIC instrument)** an obligation arises on the Company to give ASX a notice in accordance with section 708AA(10) (as modified by ASIC Instrument 2016/84);
- (l) **(Cleansing Statement)** the cleansing notice issued pursuant to section 708AA(2)(f) and 708AA(7) (as modified by ASIC Instrument 2016/84) is defective within the meaning of section 708AA(11) (as modified by ASIC Instrument 2016/84), or a notice is issued or is required to be issued under sections 708AA(10) (as modified by ASIC Instrument 2016/84) to correct the cleansing notice;
- (m) **(Change in law or policy)** there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or any new regulation is made under any law, or a Government Agency adopts a major change in monetary or fiscal policy, or there is any official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Government Agency that a law or any new regulation will be introduced or such a change in policy adopted (as applicable), any of which does or in the reasonable opinion of the Underwriter is likely to prohibit or adversely affect the Offers, capital issues or stock markets;

4. Company's Termination Events

Company may at any time by notice given to the Company, and without any cost or liability, immediately terminate the Underwriting Agreement if any one or more of the following events occurs or has occurred in the period from (and including) the date of the Underwriting Agreement to Completion:

If the Company has reasonable grounds to believe and does believe that one of the following events:

- (a) has or is likely to have a materially adverse effect on the success of, or settlement of, the Offers (irrespective of whether or not the Offers have opened); or
- (b) has given or could reasonably be expected to give rise to a contravention by, or a liability of, the Company under any law or regulation,

the Company may terminate the Underwriting Agreement. The events are as follows:

- (c) **(Default):** The Underwriter is in default of one or more of its obligations under the Underwriting Agreement that is not remedied within 5 Business Days after written notice by the Company; or
- (d) **(Incorrect or untrue representation):** Any representation, warranty or undertaking given by the Underwriter in the Underwriting Agreement is or becomes untrue or incorrect.

5. Glossary

In this Schedule, unless the context otherwise requires:

Completion will occur when all of the New Shares to be issued by the Company under the Offers have been issued.

Governmental Agency means a government, government department or any governmental, semi-governmental or judicial entity or authority, including a stock exchange or a self-regulatory organisation established under statute.

Information Documents means:

- (a) the ASX announcement by the Company regarding the launch of the Entitlement Offer;
- (b) the Entitlement and Acceptance Forms;
- (c) the Cleansing Notice;
- (d) this Offer Document and any supplementary Offer Document; and
- (e) all other communications with Shareholders, nominees and other parties approved or authorised by or on behalf of the Company in connection with the Entitlement Offer.

Offer Period means the total period for which the Offers are open as set out in the Timetable.

Prescribed Occurrence means the events specified in paragraphs (a) to (h) of subsection 652C(1) in the *Corporations Act 2001* (Cth) as if references to 'the target' were replaced by references to 'the Company'.

Settlement means the date and time specified as such in the Indicative Timetable.



PARINGA RESOURCES LIMITED