

ASX Announcement

PARINGA FURTHER STRENGTHENS MANAGEMENT TEAM

HIGHLIGHTS:

- ***Appointment of Mr. Rick Kim as General Manager for the Pre-Feasibility Study of the Buck Creek Project***
- ***Mr Kim has over 13 years' experience working in the US coal industry managing continuous miner coal operations for Arch Coal and other major US coal producers***
- ***Latest team addition complements an experienced and well-credentialed US management team that has permitted, developed and operated numerous coal projects***
- ***Paringa will continue discussions with regional coal-fired power plants as part of its coal marketing strategy and rapidly complete the remaining technical studies with the aim of commencing mine construction in 2015***

Paringa Resources Limited ("**Paringa**" or "**Company**") is pleased to advise Mr. Rick Kim has been appointed as General Manager of the Buck Creek coal project ("**Buck Creek Project**"). Mr. Kim will oversee the Pre-Feasibility Study for the Buck Creek Project with the aim to begin mine construction in 2015. Mr. Kim is an experienced coal operator having managed mines for Arch Coal Inc. and Massey Energy and complements a very strong credentialed and experienced US management team.

The high margin, low capex Buck Creek Project is one of the last remaining large-scale undeveloped blocks of high quality coal with direct barge access to the Ohio River Market that is not controlled by a major US coal producer. The Buck Creek Project is located within the heartland of the Western Kentucky coal fields which provides excellent transport, power and other support infrastructure for coal operations. In addition, the Buck Creek Project is adjacent to the Green River, which provides year round linkage to the Ohio and Mississippi rivers systems which feed domestic coal-fired power plants and coastal export coal terminals along the Gulf of Mexico.

Paringa is aiming to emulate the success of adjacent coal mines such as those operated by Alliance Resource Partners LP, which are some of the highest margin coal mines in the US. Construction of the permitted Buck Creek mine is set to begin by the end of 2015, with the ramp-up of production to begin by mid-2017.

Paringa's Chief Executive Officer, Mr. David Gay, said *"We are delighted that Rick has joined our team. We have truly built one of the most experienced and well-credentialed management teams for a coal development company. We have begun discussions with coal power plants within the Ohio River market and continue to aggressively pursue additional coal leases within the Area of Interest. It is going to be an exciting period for Paringa leading up to the release of the Pre-Feasibility study."*

For further information contact:

David Gay
Chief Executive Officer

Nathan Ainsworth
Business Development

Overview of US Management Team

Provided below is an overview of Paringa's world-class US management team:

David Gay <i>Chief Executive Officer</i>	<ul style="list-style-type: none">• Mining Engineer with over 30 years of experience in developing coal resources projects covering the entire coal development chain• Vice President Mergers and Acquisitions and Business Development at Alpha Natural Resources, one of the USA's largest coal producers• Business Unit President at Pittston Coal Group
Matt Haaga <i>Chief Operating Officer</i>	<ul style="list-style-type: none">• Mining Engineer with over 35 years of experience in developing coal resources throughout the USA, particularly in the Illinois Basin• Business Unit President and Vice President Engineering and Land at Peabody Energy (27 years experience), the world's largest private sector coal company
Jim Plaisted <i>Vice President Coal Sales and Marketing</i>	<ul style="list-style-type: none">• Former General Manager of Alliance Coal, LLC, subsidiary of Alliance Resource Partners, LP and was responsible for the marketing of coal from all seven of Alliance's Illinois Basin mining operations• Mr Plaisted was employed by Alliance for over 17 years and was instrumental in building Alliance into a 39Mtpa coal producer, which included the development of four "greenfield" coal projects
Rick Kim <i>General Manager</i>	<ul style="list-style-type: none">• Mining Engineer with over 13 years' experience working in the US coal industry managing continuous miner coal operations for Arch Coal and other major US coal producers• MBA from the University of Pittsburgh and Bachelor of Mining Engineering from Virginia Tech
Mike Curry <i>Technical Manager</i>	<ul style="list-style-type: none">• Mining Engineer with Consol Energy and Alpha Natural Resources' Mergers and Acquisitions team• Bachelor of Science from West Virginia University
Daniel Trentham <i>Financial Controller</i>	<ul style="list-style-type: none">• Senior Accountant with Alliance Resource Partners, LP• Bachelor of Accounting from Oakland City University

ABOUT THE BUCK CREEK PROJECT

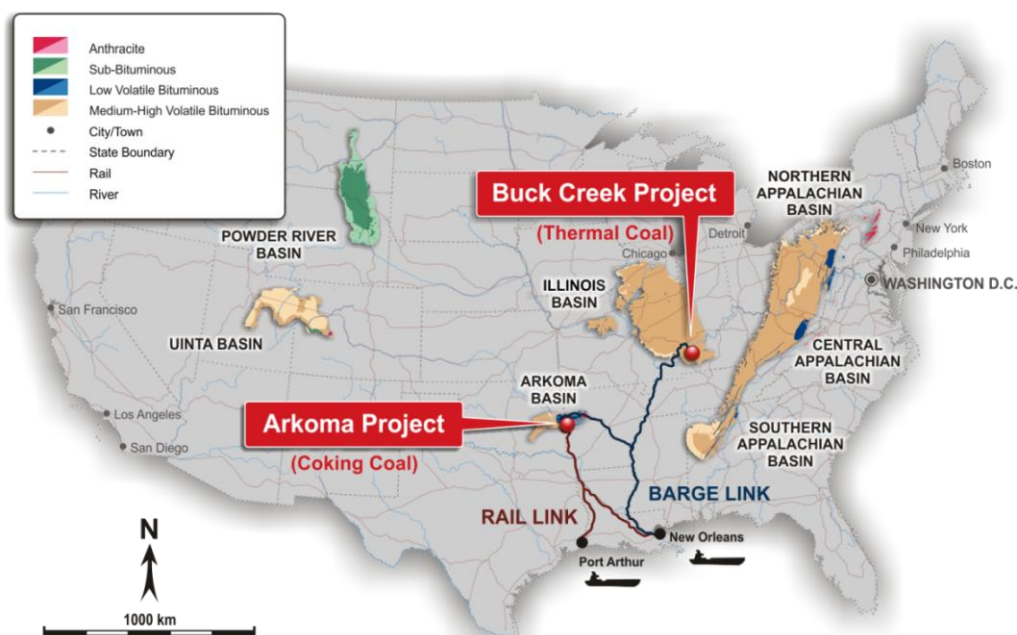
The Buck Creek Project is located in the Western Kentucky region of the Illinois Coal Basin which is one of the most prolific coal producing regions in the USA. Paringa controls over 26,000 gross acres (~10,500 ha) of coal leases within an area of interest of approximately 72,000 acres (~28,000 ha).

The Buck Creek Project has a JORC Coal Resource Estimate of 154 million tons (~140 million tonnes) of high quality thermal coal with over 88% in the Measured & Indicated categories. The Buck Creek Project is one of the few remaining contiguous high quality thermal coal projects within the WK No.9 Seam that is not controlled by one of the major USA coal companies and offers one of the highest quality, highest heating value products in the Illinois Coal Basin.

The Buck Creek Project is located adjacent to the Green River which provides year round linkage to the Ohio and Mississippi rivers systems which feed domestic coal-fired power plants and coastal export coal terminals in the Gulf of Mexico.

Buck Creek Project – Coal Resource Estimate (WK No.9 Seam)				
Measured (Mt)	Indicated (Mt)	Total Measured and Indicated (Mt)	Inferred (Mt)	Total (Mt)
32.1	104.8	136.9	17.5	154.4

Buck Creek Project – Coal Quality (+4% Eq. Moisture)	
Calorific Value	6,564 kcal/kg (11,814 Btu/lb)
Ash	8.7%
Yield	92.3%



Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on Paringa's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Paringa, which could cause actual results to differ materially from such statements. Paringa makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

The Company advises that the information relating to the Scoping Study referred to in this announcement is based on lower-level technical and preliminary economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

Competent Persons Statement (North American Projects)

The information in this announcement that relates to the Exploration Results, Coal Resources, Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation was extracted from Paringa's ASX announcements dated 24 March 2014 entitled 'Scoping Study Confirms Strong Fundamentals of the Buck Creek Project' and 4 November 2013 entitled 'Maiden Coal Resource of 154 Million Tons Defined in Illinois Coal Basin' which are available to view on the Company's website at www.paringaresources.com.au.

The information in the original ASX announcements that related to Exploration Results and Coal Resources is based on information compiled or reviewed by Mr. Kirt W. Suehs, a Competent Person who is a Member of The American Institute of Professional Geologists. Mr. Suehs is employed by Cardno MM&A. Mr. Suehs has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and to qualify as a Qualified Person as defined in the 2011 Edition of the National Instrument 43-101 and Canadian Institute of Mining's Definition Standards on Mineral Reserves and Mineral Resources.

The information in the original ASX announcements that related to Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation is based on information compiled or reviewed by Messrs. Justin S. Douthat, Gerard J. Enigk and George Oberlick, all of whom are Competent Persons and are Registered Members of the Society for Mining, Metallurgy & Exploration (SME). Messrs. Douthat, Enigk and Oberlick are employed by Cardno MM&A. Messrs. Douthat, Enigk and Oberlick have sufficient experience that is relevant to the type of mining, coal preparation and cost estimation under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and to qualify as Qualified Persons as defined in the 2011 Edition of the National Instrument 43-101 and Canadian Institute of Mining's Definition Standards on Mineral Reserves and Mineral Resources.

Paringa confirms that: (a) it is not aware of any new information or data that materially affects the information included in the original ASX announcements; (b) all material assumptions and technical parameters underpinning the Coal Resource, Production Target, and related forecast financial information derived from the Production Target included in the original ASX announcements continue to apply and have not materially changed; and (c) the form and context in which the relevant Competent Persons' findings are presented in this presentation have not been materially modified from the original ASX announcements.