

PARINGA SECURES FINAL MINE PERMITS TO ENABLE CONSTRUCTION TO START AT POPLAR GROVE

HIGHLIGHTS:

- *Paringa has now completed the mine permitting process to begin construction of the Poplar Grove mine by mid-2017*
- *Received the final SMCRA permit (primary mining permit) in addition to the previously received Kentucky Wastewater Permit (KPDES) and satisfaction of all USACOE obligations for Poplar Grove*
- *Permitted Poplar Grove Mine compliments the permitted 3.8 Mtpa Cypress Mine which has completed all technical studies (i.e. BFS level)*
- *Updated BFS for the development of a two coal seam operation (WK No.11 and No.9 seam) at Poplar Grove remains on track for completion by the end of Q1 2017*
- *Currently in discussions with financiers to start construction of the low capex Poplar Grove Mine, beginning with exercising options to acquire the mine site land property, building electrical infrastructure and starting mine excavation activities*

Paringa Resources Limited ("**Paringa**" or "**Company**") is pleased to announce that, following receipt of the final federal Surface Mining Control and Reclamation Act ("**SMCRA**") permit, the Company is now fully permitted to begin construction of the low capex Poplar Grove Mine. The permitted Poplar Grove Mine compliments the previously permitted 3.8 Mtpa Cypress Mine which remains "shovel ready".

Paringa remains on track to update the final Bankable Feasibility Study ("**BFS**") for the development of a two coal seam operation mining the Western Kentucky WK No.11 ("**WK No.11**") seam and Western Kentucky No.9 seam ("**WK No.9**") at Poplar Grove, due for completion by the end of Q1 2017. Paringa is currently in discussions with financiers to develop the low capex Poplar Grove Mine by mid-2017. Initial development of the Poplar Grove Mine will begin by exercising rights to acquire the mine site surface property, build electrical infrastructure and to begin mine site excavation activities.

Paringa's CEO, Mr. Todd Hannigan, said: *"This is an outstanding effort by the Paringa team to permit the Poplar Grove Mine, adding to the permitted 3.8 Mtpa Cypress Mine. The ability to deliver on our permitting schedule is testament to the efforts of our highly qualified and experienced Paringa team. Importantly, we remain on track to deliver on all the commitments we made to our shareholders and we look forward to announcing the results of the updated BFS by Q1 2017, negotiate a competitive financing package and commence construction at Poplar Grove by mid-2017."*

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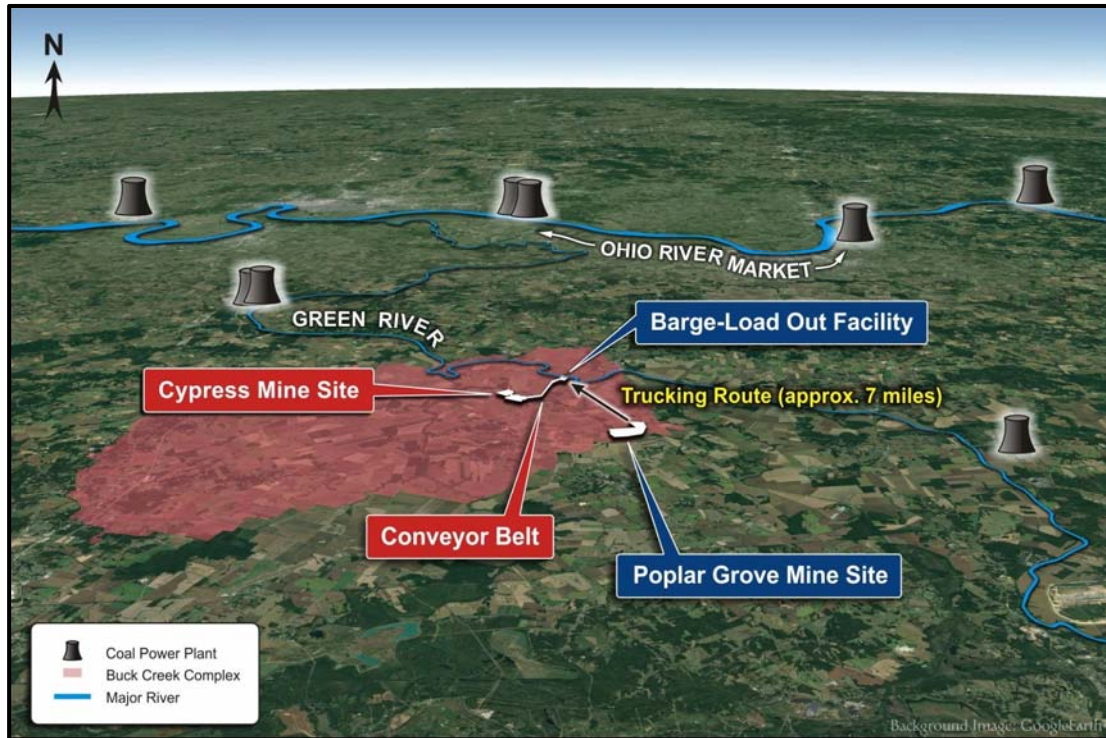


Figure 1: Location of the Permitted Poplar Grove and Cypress Mines, and Permitted Barge Load-Out Facility

Positive Impact on Local Communities

Development of the Poplar Grove and Cypress Mines will provide many positive benefits to the local and state communities, which has a long history in thermal coal mining, including:

- Increased local employment opportunities for mine, coal preparation and barge load-out construction and operations;
- Paringa is expected to directly employ approximately +450 new staff¹ from the local, highly skilled coal mining workforce, and indirectly creating an additional +2,200 jobs¹ in secondary industries necessitated by the mining operations;
- Payments totaling +US\$210 million¹ (for the first 10 years of production) in the form of royalties to the local landowners, who predominately own the rights to the coal, and payments in the form of Kentucky Severance Taxes, which is designed to feed back to the local counties directly impacted by the Poplar Grove and Cypress Mines;
- Increased sales to local support businesses such as mine equipment and supply firms, engineering firms and construction firms; and
- New business opportunities for community and retail support businesses.

Note (1): Figures exclude the development of the WK No.11 seam at Poplar Grove.

Overview Key Permits

Receipt of the final federal SMCRA permit compliments the previously received Kentucky Wastewater Permit under the Kentucky Pollutant Discharge Elimination System (“**KPDES**”). In addition, Paringa has satisfied all obligations with the US Army Corps of Engineers (“**USACOE**”) required under section 404 of the Clean Water Act.

1. SMCRA Permit

The SMCRA permit is the primary mining permit issued by the Kentucky Division of Mine Permits, which, along with the Division of Abandoned Mine Lands and the Division of Mine Reclamation and Enforcement (all part of the Department of Natural Resources of the Energy and Environment Cabinet of the State of Kentucky), administers the surface and underground coal mining regulatory program in Kentucky, USA.

The Division of Mine Permits evaluates applications, including mining and reclamation plans, and issues permits to ensure that all coal mining operations in Kentucky meet the minimum performance standards for environmental and public protection and reclamation, as required by the Federal Surface Mining Control and Reclamation Act (SMCRA) of 1977.

Paringa has received all SMCRA permits for construction of the Poplar Grove and Cypress Mines, and the Green River Barge Load-Out Facility.

2. Kentucky Wastewater Discharge Permit

All discharges to waters within the state require a Kentucky Wastewater Discharge permit through the Kentucky Pollutant Discharge Elimination System (KPDES).

Paringa has received KPDES permits for construction of the Poplar Grove and Cypress Mines, and the Green River Barge Load-Out Facility.

3. USACOE Obligations

Required under Section 404 of the Clean Water Act (CWA), the US Army Corps of Engineers (“**USACOE**”) established a program to regulate the discharge of dredged or fill material into waters of the United States, including wetlands. Activities in waters of the United States regulated under this program include fill for development, water resource projects (such as dams and levees), infrastructure development (such as highways and airports) and mining projects.

Paringa has satisfied all obligations under Section 404 of the CWA for construction of the Poplar Grove and Cypress Mines.

Forward Looking Statements

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

Competent Persons Statements

The information in this report that relates to Exploration Results, Coal Resources, Coal Reserves, Production Targets, Mining, Coal Preparation, Infrastructure, and Cost Estimation was extracted from Paringa's ASX announcements dated February 20, 2017 entitled 'Substantial Increase in Coal Resources to 328 Million Tons', November 21, 2016 entitled 'BFS Confirms Low Capex Project With High Financial Returns', October 17, 2016 entitled 'Discovery of Additional Major Coal Seam at Poplar Grove Mine', and December 2, 2015 entitled 'BFS Confirms Buck Creek will be a Low Capex, High Margin Coal Mine' which are available to view on the Company's website at www.paringaresources.com.au.

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

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

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