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COMPLETION OF PLACEMENT

Paringa Resources Limited ("**Paringa**" or "**Company**") is pleased to announce that it has completed its previously announced placement of 38,200,000 shares to Institutional and sophisticated investors in Australia and the United States to raise gross proceeds of A\$6,494,000 ("**Placement**").

The proceeds from the Placement will be used to complete the Bankable Feasibility Study ("**BFS**") for the Buck Creek No.2 Mine ("**No.2 Mine**") and provide funding for the Company to commence development of the No.2 Mine by mid-2017.

Curran & Co and Argonaut acted as Lead Managers to the Placement.

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This announcement has been prepared for publication in Australia and may not be released in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

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.

Notice under Section 708A

Paringa Resources Limited ("Company") has today issued 1,400,000 fully paid ordinary shares. The issued securities are part of a class of securities quoted on the Australian Securities Exchange ("ASX").

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Corporations Act 2001 (Cwth) (the "Act") that:

1. the Company issued the securities without disclosure to investors under Part 6D.2 of the Act;
2. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
3. as at the date of this notice, there is no information that is "excluded information" within the meaning of sections 708A(7) and 708A(8) of the Act.