

March 1, 2017



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 complements 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**

NEW YORK, March 1, 2017 /PRNewswire/ -- 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 complements 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."

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.

To view the original version on PR Newswire, visit <http://www.prnewswire.com/news-releases/paringa-secures-final-mine-permits-to-enable-construction-to-start-at-poplar-grove-300416335.html>

SOURCE Paringa Resources Limited