COMMENCEMENT OF BIDDING PROCESS FOR MAJOR CAPITAL ITEMS AT BUCK CREEK NO.1 MINE

HIGHLIGHTS:

- *Paringa has begun the process for the preparation and execution of **construction contracts** for the development of the Buck Creek No.1 Mine*
- *Results of the final construction bidding process will be incorporated into the **Bankable Feasibility Study in the fourth quarter 2015***
- *Process includes the submittal of bid-packages with detailed engineering designs and draft construction contracts to a **large pool of qualified contractors***
- *First pre-bid meeting for the substation and electrical work at Buck Creek No.1 was very well attended with **eight different highly experienced electrical contractors participating***
- *Final bid awards and construction contract executions will align with the completion of formal **negotiations with financiers** to develop the Buck Creek No.1 Mine*

Paringa Resources Limited ("**Paringa**" or "**Company**") is pleased to advise that it has commenced the preparation and execution of construction contracts for the development of the Company's Buck Creek No.1 Mine ("**Buck Creek No.1 Mine**") located north of the proposed Buck Creek No.2 Mine and within the Buck Creek mining complex ("**Buck Creek Mining Complex**").

The Company conducted a tendering process for all major capital items as part of the recently released Pre-Feasibility Study ("**PFS**") for the Buck Creek No.1 Mine. The Company has now entered into the final construction bidding process which will result in the execution of construction contracts to align with negotiations with financiers for the development of Buck Creek No.1 Mine. The key construction bid packages for the development of Buck Creek No.1 Mine:

Buck Creek No.1 Mine: Key Construction Bid Packages		
Substation & Electrical	Mine Site Earthworks	Coal Preparation Plant
Materials Handling	Slope (i.e. Decline)	Vertical Shaft
Mine Fan & Hoist	Overland Belt & Barge Load-Out	Other Surface Facilities

Paringa's President and CEO, Mr David Gay, said *"Paringa's first pre-bid meeting for the construction of the Electrical Infrastructure and Substation for the Buck Creek No. 1 Mine was extremely well attended with eight high quality electrical contractors participating in the bidding process. This is an indication of the availability of highly experienced coal industry contractors and the competition amongst contractors to win mine development work in the Illinois Basin. The Illinois Basin continues to be one of the lowest cost sources of coal (on a delivered basis) for the coal fired base-load energy market in the US."*

For further information contact:

David Gay
President & CEO

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Business Development

BUCK CREEK MINING COMPLEX

The Buck Creek Mining Complex is located in the Western Kentucky region of the Illinois Coal Basin ("**ILB**") which is one of the most prolific coal producing regions in the United States. Paringa controls over 34,200 gross acres (~13,842 ha) of coal leases within an area of interest of approximately 72,000 acres (~28,000 ha). The Buck Creek Mining Complex is one of the few remaining contiguous high quality thermal coal projects within the Western Kentucky No. 9 ("**WK No. 9**") seam that is not controlled by one of the major United States coal companies. It offers one of the highest quality, highest heating value products in the ILB. The WK No. 9 is now the second largest producer of coal in the United States by coal seam.

The Buck Creek Mining Complex has a JORC Measured and Indicated Coal Resource Estimate of 211 million tons (~192 million tonnes) of high quality thermal coal. The Buck Creek Mining Complex's Marketable Ore Reserve is classified as a Proven and Probable Ore Reserve Estimate, of which 16.4 million tons (or 26 percent) is considered proven and 46.3 million tons (or 74 percent) is considered probable.

Buck Creek Mining Complex – Coal Resource Estimate							
CRE Tonnage (Mt)					**Product Quality (+4% Eq. Moisture)**		
Measured	Indicated	**Total Measured & Indicated**	Inferred	**Total**	Calorific Value	Ash	Yield
57.7	153.5	**211.2**	5.3	**216.5**	11,855 Btu/lb (6,583 Kcal/kg)	8.35%	92.9%

Buck Creek No.1 Mine Maiden Ore Reserve Estimate						
Recoverable Coal Reserve (Mt)			**Product Yield**	**Marketable Coal Reserve (Mt)**		
Proven	Probable	**Total**	%	Proven	Probable	**Total**
22.25	62.91	**85.16**	73.54%	16.36	46.27	**62.63**

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

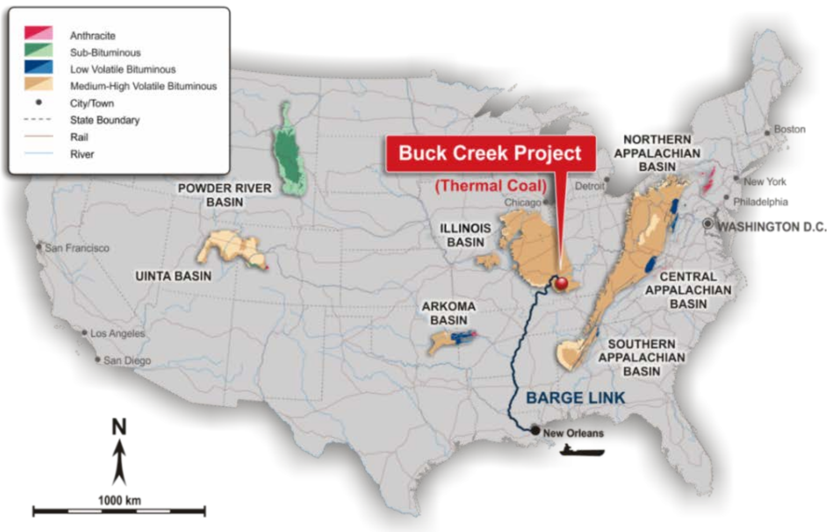

Figure 1: Location of the Buck Creek Mining Complex

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.

Competent Persons Statements

The information in this announcement that relates to Exploration Results, Coal Resources, Coal Reserves, Mining, Coal Preparation, Infrastructure, Production Targets and Cost Estimation was extracted from Paringa's ASX announcements dated 17 March 2015 entitled 'Paringa Delivers Exceptional Pre-Feasibility Study at the Buck Creek No.1 Mine' and 25 February 2015 entitled 'Substantial 54% Increase in Measured and Indicated Coal Resources to 211 Million Tons' 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, 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 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.