

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

#### Name of entity

**PIONEER RESOURCES LIMITED**

**ABN**

**Quarter ended ("current quarter")**

**44 103 423 981**

**30 June 2018**

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(649)	(3,679)
	(b) development		
	(c) production		
	(d) unallocated staff costs	(82)	(425)
	(e) administration and corporate costs	(320)	(1,323)
1.3	Dividends received (see note 3)		
1.4	Interest received	20	54
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Research and development refunds		329
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,031)</b>	<b>(5,044)</b>
<b>2</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(23)	(27)
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		

2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(23)</b>	<b>(27)</b>

<b>3</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	35	5,708
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options	35	35
3.4	Transaction costs related to issues of shares, convertible notes or options		(134)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>70</b>	<b>5,609</b>

<b>4</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>(985)</b>	<b>537</b>
4.1	<b>Cash and cash equivalents at beginning of period</b>	<b>3,763</b>	<b>2,241</b>
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,031)	(5,044)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(23)	(27)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	70	5,609
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,777</b>	<b>2,777</b>

<b>5</b>	<b>Reconciliation of cash and cash equivalents</b>	<b>Current quarter</b>	<b>Previous quarter</b>
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>\$A'000</b>	<b>\$A'000</b>
5.1	Bank balances	775	162
5.2	Term deposits	2,002	3,601
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,777</b>	<b>3,763</b>

<b>6</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	115
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Items in 6.1: Managing Director and Non-Executive Directors' remuneration - \$115k.

<b>7</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

<b>8</b>	<b>Financing facilities available</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Add notes as necessary for an understanding of the position</i>		
8.1	Loan facilities	6,494	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

A binding Offtake and Loan Agreement was entered into with Cabot Corporation on 20 June 2018. As part of the Agreement, Cabot will provide funding in the form of an interest-free US\$4.8 million loan to Pioneer to be solely used for the development and mining of the Sinclair Mine. The Loan will be offset by Pioneer through the delivery of DSO pollucite from the Sinclair Mine, or by cash settlement subject to certain conditions.

Pioneer has agreed to provide Cabot with security, limited to caesium rights, over the Sinclair Mine as collateral for the Loan. Upon repayment of the US\$4.8 million loan this security will be removed. The Loan will be drawn down upon all conditions precedent being met or waived by Cabot. As at 30 June 2018, the Conditions Precedents for Completion of the Loan were still outstanding and so the Loan facility was not accessible as at that date.

<b>9</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Exploration and evaluation	370
9.2	Development	-
9.3	Production*	653
9.4	Staff costs	223
9.5	Administration and corporate costs	604
9.6	Other (provide details if material)	
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>1,850</b>

\* Production costs are based on the assumption that mining commencing during the September quarter. This is dependent on all Project approvals being granted.

<b>10</b>	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....

Date: 31 July 2018

(Company Secretary)

Print name: Timothy Spencer

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.