

7 January 2015

ABN: 44 103 423 981
Tel: +61 8 9322 6974
Fax: +61 8 9486 9393
email: dcrook@PIOresources.com.au
Address: 21 Ord Street
West Perth Western Australia
Postal: PO Box 1787
West Perth
Western Australia 6872

ASX/Media Announcement

KEY FRASER RANGE NICKEL TENEMENTS GRANTED.

Pioneer Resources Limited ("Pioneer" or the "Company" (ASX: PIO)) is pleased to announce that key **Fairwater Nickel Project** tenements, located within the Fraser Ranges of Western Australia, have been granted. Pioneer holds a 75% interest in the Fairwater Nickel Project.

One of the tenements, E63/1665, covers the priority FWNi003 nickel sulphide target which was identified by reconnaissance soil geochemistry during 2014.

Features of the FWNi003 target include:

- Coincident 'nickel pathfinder' suite of elements, being anomalous nickel-copper-chrome and PGE responses from soil geochemistry
- Based on aeromagnetic data imagery, a geological interpretation for the target is an 8km long, north westerly trending, oval structure representing a possible dilation zone, which acted as a conduit for a 2km long magnetic unit, interpreted as an internal mafic-ultramafic magmatic intrusion. The nickel pathfinder anomaly is coincident with the interpreted magmatic intrusion. (*Refer to Figures 2a-2d*)

The FWNi003 target is one of 4 nickel prospects identified for further exploration. All are now covered by granted tenure.

OUTLOOK

Pioneer's Managing Director, Mr David Crook, said that the Company is now able to schedule the preparatory work programs required ahead of drilling, with the current timetable now scheduling drilling within the first quarter of 2015.

With the tenements granted, the Company can lodge a Program of Work ("POW") application which will permit the construction of access tracks and drill site preparation.

"A pre-requisite for the POW is a flora study, and with the tenements now granted, this is scheduled for later this week", Mr Crook said.

The Department of Mines and Petroleum takes up to 30 business days to process to a POW.

"Target generation field work can continue concurrently, including detailed soil geochemistry and geological mapping which will provide better anomaly resolution.

"In addition, our consultant geophysicist has engaged with an electromagnetic survey crew to complete EM surveys during February, as soon as reasonable access is available." Mr Crook said.

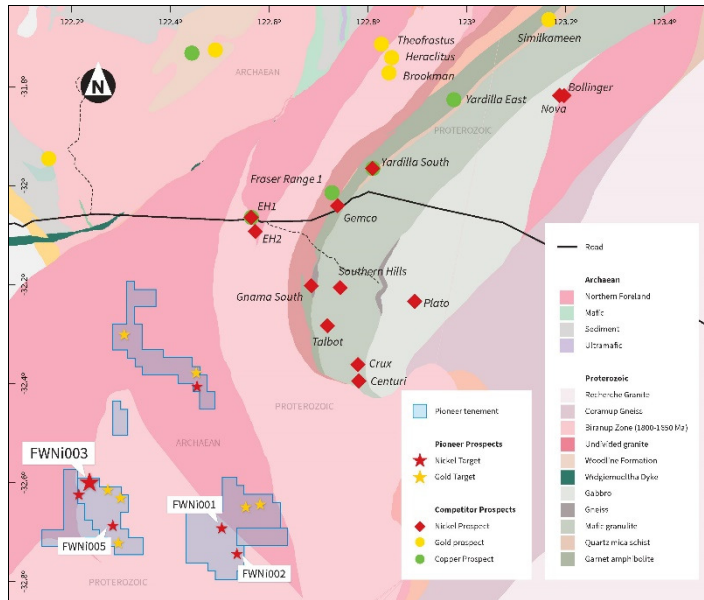


Figure 1. Regional interpreted geology, nickel and gold prospects.

The Fairwater Project's nickel targets are located in likely Proterozoic-aged Albany Fraser Orogen rocks, between 100 and 130km south-west of Sirius Resources (ASX: SIR) major Nova and Bollinger nickel discoveries, and approximately 220 kilometres south-east of Kalgoorlie.

The FWNi003 Nickel Sulphide Target

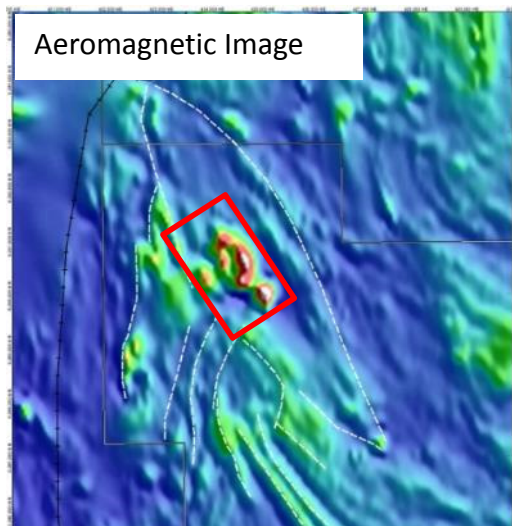


Figure 2a. Aeromagnetic imagery indicates that linear Proterozoic strata terminate against the 8km long oval host structure of the FWNi003 Prospect, indicating relative ages; and a possible internal magmatic intrusion.

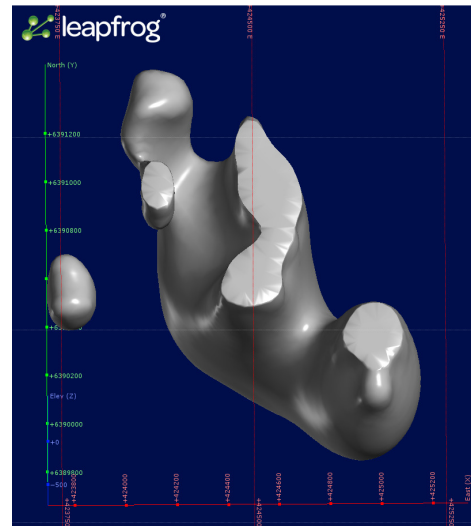


Figure 2b. An oblique view of an inversion model of the aeromagnetic data from within the red-highlighted area of figure 2a shows what the intrusive rocks might look like.

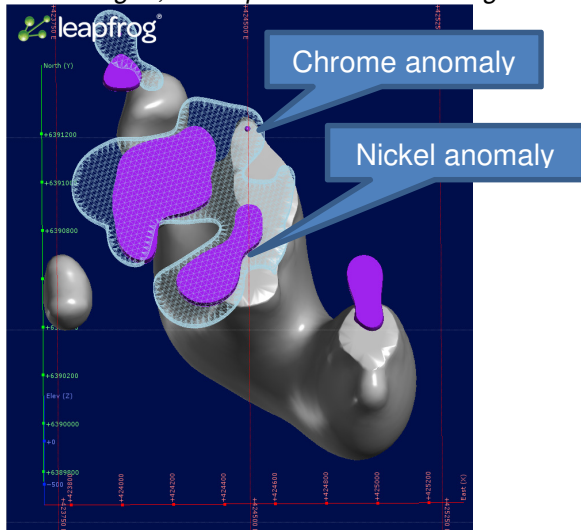


Figure 2c. Overlain elevated Ni and Cr geochemistry is consistent with mafic intrusive rocks.

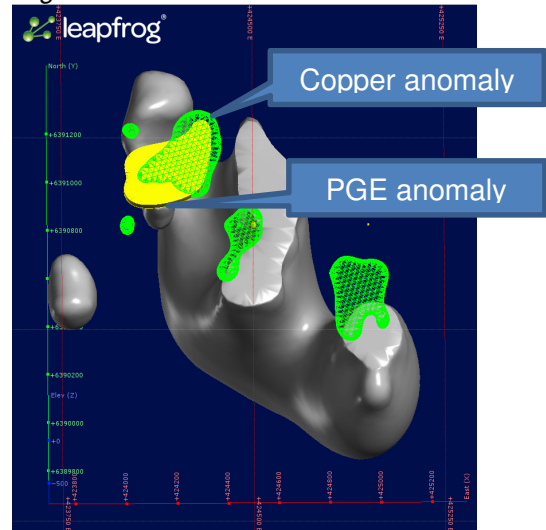


Figure 2d. Elevated Cu and PGE can act as a pathfinder for magmatic nickel sulphide occurrences.

ALBANY-FRASER OROGEN – THE RIGHT GEOLOGICAL SETTING

The Fairwater Project exploration licences (3 granted and 3 applications) cover an area of 680km². The targeted geological unit is the Proterozoic-aged (1.8-1.65 Ba) Biranup Zone rocks of the Albany-Fraser Orogen, where it is emplaced in close proximity to Archaean aged (>2.5 Ba) Yilgarn Craton rocks.

The Albany-Fraser Province has become the focus of intense exploration activity since the discovery of the Proterozoic-aged Nova and Bollinger Nickel-Copper Deposits.

Pioneer completed a number of reconnaissance soil geochemistry programs following up anomalies identified in historic data generated by Pan Australian Resources NL and AngloGold Ashanti Australia Limited. The Company's work confirmed 4 priority nickel targets which will be the subject of fieldwork throughout 2015.

Most compelling, when comparing publicly-available information about the Nova and Bollinger Nickel Deposits, is Pioneer's FWNi003 Target. Analogous observations include:

- **Similar Geometry:** An oval, possible dilation structure occurring within a Proterozoic-aged geological terrane;
- **Age Implications:** Regional tramline stratigraphy disrupted by the oval structure, suggesting it is relatively younger aged than the surrounding rock units;
- **Geophysics:** Aeromagnetic images of the FWNi003 ovoid shows multiple internal magnetic bodies with coincident anomalous Ni and Cr – interpreted as the geochemical signature of a subsurface mafic-ultramafic rock unit. In addition, anomalous Cu and PGE values coincide with the magnetic features. Cu and PGE are considered pathfinder elements for magmatic Ni-Cu deposits;
- **Scale:** The FWNi003 oval structure has a strike length of 8 kilometres, a similar scale to the "Eye" which has a 5 kilometre strike length;
- **Regional Structure:** The postulated mafic-ultramafic body lies within 4 km of a major regional thrust fault. This is recognised as an important relationship.

ENDS



Managing Director
Pioneer Resources Limited

For further information please contact:

David Crook
Managing Director
Pioneer Resources Limited

T: +61 8 9322 6974

E: dcrook@pioresources.com.au

James Moses
Media and Investor Relations
Mandate Corporate

M: +61 420 991 574

E: james@mandatecorporate.com.au

Competent Person

The information in this report that relates to Exploration Results is based on information supplied to and compiled by Mr David Crook. Mr Crook is a full time employee of Pioneer Resources Limited, a member of The Australasian Institute of Mining and Metallurgy (member 105893) and the Australian Institute of Geoscientists (member 6034). Additional information in respect of soil geochemical data and interpretations was provided by Dr Nigel Brand and information in respect of geology was supplied by Mr Don Huntly, both consultants to the Company. Mr Crook and/or consultants to the Company have sufficient experience which is relevant to the activities 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'. Mr Crook, Dr Brand and Mr Huntly consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Caution Regarding Forward Looking Information

This document may contain forward looking statements concerning the projects owned by the Company. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

Glossary:

"ppm" means 1 part per million by weight.

Elements:

"Ni" nickel, "Cu" copper, "PGE" Platinum Group elements, Pt - platinum and Pd - palladium

Note 1. (Fairwater) Refer to:

- a Company announcement to ASX dated 21 July 2014
- Quarterly Activities Report for the September 2014 quarter, dated 31 October 2014.