

27 February 2015

Dear Shareholder

As the Chairman of your Company, I thought it appropriate to write to you at this time to give you further context to the proposed issue of options to the Board of your Company, including a resolution to approve the issue of options to myself.

Attached to this letter is a Notice of Meeting ("NOM") for the forthcoming General Meeting of Pioneer Resources Ltd ("Pioneer" or "the Company") to be held on 1 April 2015 at 10.00am (WST) in the Company's offices at 21 Ord Street, West Perth.

Included in the business to be dealt with at this Meeting is the allotment of options to both Executive and Non-executive Directors of your Company.

It is the view of the Board of your Company that the options represent an important part of the remuneration package of your Directors and their future exercise will evidence the commitment of the Board. Currently the Board collectively hold 17.87 million shares in Pioneer and hold no options.

When it was resolved at the January 2015 Board meeting that the options should be issued (subject to shareholder approval), the options were, at that time, well out of the money. However since then the share price has risen. Accordingly to ensure the options have a considerable "incentive" element each tranche has been priced using a formula such that the exercise price for Tranche A of options, being one third of the total options proposed to be allotted, is the 1.43 times the 5 day VWAP of Pioneer shares prior to the date of the shareholders meeting. A similar formula also applies to Tranche B and Tranche C of the proposed option issue as detailed in the enclosed NOM.

If the Directors choose to exercise these options in future, a total of approximately \$650,000 will be subscribed to shares in Pioneer.

If you are in favour of these resolutions I encourage you to either attend the Meeting or submit your Proxy Form enclosed with this NOM. **None of the proposed recipients are able to vote on any of these Resolutions.**

This is an exciting time for Pioneer with 3 quality projects entering the drilling phase. The options to Directors will further motivate the Board to see exploration success reflected in our share price.

Should you have any queries on the resolutions to be put to the Meeting, please contact:

- me, Craig McGown, on 08 9320 5505;
- Managing Director David Crook on 08 9322 6974; or
- Joint Company Secretary Susan Hunter on 08 9322 6974.

Yours faithfully



Craig McGown
Chairman
Non-executive Chairman

PIONEER RESOURCES LIMITED**ACN 103 423 981****NOTICE OF GENERAL MEETING**

TIME: 10.00am (WST)**DATE:** Wednesday, 1 April 2015**PLACE:** Pioneer Resources Limited, 21 Ord Street, West Perth, Western Australia

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of General Meeting please do not hesitate to contact the Managing Director or a Company Secretary on +61 8 9322 6974.

PIONEER RESOURCES LIMITED
ACN 103 423 981
NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of the Shareholders of Pioneer Resources Limited ("Pioneer" or "the Company") will be held as follows:

TIME: 10.00am (WST)

DATE: Wednesday, 1 April 2015

LOCATION: Pioneer Resources Limited, 21 Ord Street, West Perth, Western Australia

**This Notice of General Meeting should be read in its entirety.
If Shareholders are in doubt as to how they should vote, they should seek advice from their
professional advisers without delay.**

**If you wish to discuss any aspects of this document with the Company, please contact
the Managing Director or a Company Secretary on +61 8 9322 6974.**

Words and phrases used in the Resolutions are defined in Section 4 of the accompanying Explanatory Statement and these words and phrases have the same meaning in this Notice of General Meeting as defined in the Explanatory Statement.

AGENDA

BUSINESS

Resolution 1: Approval of Grant of Options to Mr David Crook (or his nominee)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, approval is given for the Company to issue 7,500,000 Options to Mr David Crook or his nominee on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by Mr Crook and any associate of Mr Crook. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will also disregard any votes cast on this Resolution by any member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

Resolution 2: Approval of Grant of Options to Mr Craig McGown (or his nominee)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, approval is given for the Company to issue 2,500,000 Options to Mr Craig McGown or his nominee on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by Mr McGown and any associate of Mr McGown. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will also disregard any votes cast on this Resolution by any member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

Resolution 3: Approval of Grant of Options to Dr Allan Trench (or his nominee)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, approval is given for the Company to issue 1,500,000 Options to Dr Allan Trench or his nominee on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by Dr Trench and any associate of Dr Trench. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will also disregard any votes cast on this Resolution by any member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

Resolution 4: Approval of Grant of Options to Mr Thomas Wayne Spilsbury (or his nominee)

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act, approval is given for the Company to issue 1,500,000 Options to Mr Thomas Wayne Spilsbury or his nominee on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by Mr Spilsbury and any associate of Mr Spilsbury. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Company will also disregard any votes cast on this Resolution by any member of the Key Management Personnel or their Closely Related Parties as proxy for another person where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chairman as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

Resolution 5: Ratification of Share Placement

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“That pursuant to ASX Listing Rule 7.4, the issue on 20 February 2015 of 27,778,000 Shares at an issue price of \$0.018 per Share on the terms and conditions set out in the Explanatory Statement be ratified.”

Voting Exclusion Statement

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and an Associate of those persons. However, the Company will not disregard a vote if (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or (b) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of General Meeting for further explanation of the Resolutions.

PROXIES

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- delivering it or posting it to Pioneer Resources Limited, 21 Ord Street, West Perth WA 6005; or
- faxing it to the Company on facsimile number +61 8 9486 9393; or
- emailing it to the Company at pioneer@pioresources.com.au

To be effective, a Proxy Form and, if the Proxy Form is signed by the shareholder's attorney, the authority under which the appointment is signed (or a certified copy of that authority) must be received by the Company not later than 48 hours before the time specified for the commencement of the General Meeting.

CORPORATE REPRESENTATIVES

A body corporate that is a Shareholder, or which has been appointed as proxy, may appoint an individual to act as its representative at the General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

DATE FOR DETERMINING HOLDERS OF SHARES

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have set a date to determine the identity of those entitled to attend and vote at the General Meeting. For the purposes of determining voting entitlements at the General Meeting, Shares will be taken to be held by the persons who are registered as holding at 5pm (WST) on Monday, 30 March 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

Dated this 24 February 2015

By order of the Board

A handwritten signature in black ink, appearing to read "S. Hunter".

Susan Hunter
Joint Company Secretary

PIONEER RESOURCES LIMITED
ACN 103 423 981

EXPLANATORY STATEMENT TO SHAREHOLDERS

1. ACTION TO BE TAKEN BY SHAREHOLDERS

This Explanatory Statement sets out information about the Resolutions to be considered by the Shareholders at the General Meeting. Defined terms used in this Explanatory Statement are set out in Section 4. Accompanying this Explanatory Statement is the Notice of General Meeting convening the General Meeting and a Proxy Form.

Shareholders are encouraged to attend and vote on the Resolutions to be put to the General Meeting. If a Shareholder is not able to attend and vote at the General Meeting, the Shareholder may complete the Proxy Form and return it not later than 48 hours before the time specified for the commencement of the General Meeting.

2. RESOLUTIONS 1 TO 4: APPROVAL OF GRANT OF OPTIONS TO MR DAVID CROOK, MR CRAIG MCGOWN, DR ALLAN TRENCH AND MR THOMAS WAYNE SPILSBURY

2.1 Background

Resolutions 1 to 4 seek Shareholder approval in accordance with Listing Rule 10.11 and Chapter 2E of the Corporations Act for the grant of a total of 13,000,000 Options to Directors (or their nominees).

The purpose of the proposed grant of the Options to the Directors (or their nominees) is to provide incentive remuneration based on the future success of the Company under their management and governance. The Directors hold no other options in the Company.

2.2 Details of unlisted Options to be issued

It is proposed under Resolutions 1 to 4 that a total of 13,000,000 Options be issued to the Directors (or their nominees) for nil consideration as set out in the tables below. All Options will vest immediately on issue. The full terms and conditions of the Options are set out in Annexure A.

TABLE 1			
Mr David Crook – Managing Director			
Tranche	Number of Options	Exercise Price per Option	Expiry Date
A	2,500,000	1.43 times 5 day VWAP*	Three years from date of issue
B	2,500,000	Higher of 1.43 times 5 day VWAP* or \$0.05	Three years from date of issue
C	2,500,000	Higher of 1.43 times 5 day VWAP* or \$0.075	Three years from date of issue
Total	7,500,000		

TABLE 2
Mr Craig McGown – Non-executive Chairman

Tranche	Number of Options	Exercise Price per Option	Expiry Date
A	833,334	1.43 times 5 day VWAP*	Three years from date of issue
B	833,333	Higher of 1.43 times 5 day VWAP* or \$0.05	Three years from date of issue
C	833,333	Higher of 1.43 times 5 day VWAP* or \$0.075	Three years from date of issue
Total	2,500,000		

TABLE 3
Dr Allan Trench – Non-executive Director

Tranche	Number of Options	Exercise Price per Option	Expiry Date
A	500,000	1.43 times 5 day VWAP*	Three years from date of issue
B	500,000	Higher of 1.43 times 5 day VWAP* or \$0.05	Three years from date of issue
C	500,000	Higher of 1.43 times 5 day VWAP* or \$0.075	Three years from date of issue
Total	1,500,000		

TABLE 4
Mr Thomas Wayne Spilsbury – Non-executive Director

Tranche	Number of Options	Exercise Price per Option	Expiry Date
A	500,000	1.43 times 5 day VWAP*	Three years from date of issue
B	500,000	Higher of 1.43 times 5 day VWAP* or \$0.05	Three years from date of issue
C	500,000	Higher of 1.43 times 5 day VWAP* or \$0.075	Three years from date of issue
Total	1,500,000		

* The 5 day VWAP will be the 5 day volume weighted average price of Pioneer Shares up to and including the day of the General Meeting.

2.3 Proposed Grant of Options to Managing Director Mr David Crook

Mr Crook, Managing Director of the Company since August 2013, has played a pivotal role in advancing the Company to date and his leadership as Managing Director of the Company is seen as an important element in the Company's future success as it advances its exploration programs. It is proposed that Mr Crook be granted a total of 7,500,000 Options as outlined in Table 1 above. The Company's Non-executive Directors consider that an essential element of Mr Crook's remuneration, and an element of good corporate governance, should be an option package which provides a longer term incentive to Mr Crook. The Non-executive Directors consider the performance of Mr Crook and the performance of the Company are closely related. As such, the proposed Options will only be of benefit if Mr Crook performs to the level whereby the value of the Company increases sufficiently to warrant exercising the Options.

The proposed number of Options to be issued to Mr Crook has been arrived at by reference to an assessment of Mr Crook's overall remuneration package. Consideration has also been given to the levels of remuneration, including options, offered by other ASX listed junior mining and exploration companies to chief executives and the number of Options proposed relative to the total number of Shares the Company has on issue is considered to be modest and appropriate.

2.4 Proposed Grant of Options to the Non-executive Chairman Mr Craig McGown and Non-executive Directors, Dr Allan Trench and Mr Thomas Wayne Spilsbury

The purpose of the proposed grant of Options to the Non-executive Chairman and Non-executive Directors is designed to provide additional incentive for the Non-executive Directors to continue their valuable involvement in the setting and monitoring of the Company's strategy, and therefore the reward of participating in the future successful growth and prosperity of the Company through equity ownership.

The proposed grant of Options to the Non-executive Directors is an efficient means for the Company to supplement the cash based remuneration of its Non-executive Directors given it involves no further cash outlay by the Company, thereby conserving liquid funds. The Company considers that it is in the best interests of Shareholders to align the interests of the Directors and Shareholders by encouraging them to have equity holdings in the Company.

The proposed number of Options to be issued to Mr McGown, Dr Trench and Mr Spilsbury has been arrived at by reference to the overall remuneration package considered appropriate for the service of Mr McGown as Non-executive Chairman and Dr Trench and Mr Spilsbury as Non-executive Directors of the Company. The Company is aware that it can be difficult to attract and retain Non-executive Directors of the desired calibre to sit on the board of a publicly listed company such as Pioneer as it advances its key projects. Consideration has been given to the levels of remuneration, including options, offered by other ASX listed junior mining and exploration companies to their directors and the number of Options proposed relative to the total number of Shares the Company has on issue is considered to be reasonable and appropriate.

2.5 Reason approval required

Shareholder approval is required under Listing Rule 10.11 and section 208 of the Corporations Act because the Directors are Related Parties of the Company.

If Shareholder approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

2.6 Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act

Listing Rule 10.13 and section 219 of the Corporations Act require that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for the grant of the Options:

- (a) It is proposed that up to a maximum of 13,000,000 Options will be offered to the Directors (or their nominees) as follows:

Name of Director	Number of Options to be Issued
David Crook	7,500,000
Craig McGown	2,500,000
Allan Trench	1,500,000
Thomas Wayne Spilsbury	1,500,000
Total	13,000,000

- (b) Each Option will be granted for no monetary consideration. The Options will be exercisable in three equal tranches with tranche A exercisable at 1.43 times the volume weighted average market price (VWAP) for Shares on the five trading days up to and including the day of the General Meeting, tranche B exercisable at the higher of 1.43 times the VWAP for Shares on the five trading days up to and including the day of the General Meeting or \$0.05 and tranche C exercisable at the higher of 1.43 times the VWAP for Shares on the five trading days up to and including the day of the General Meeting or \$0.075 as detailed in Tables 1 to 4 above. The Options will be exercisable at any time within 3 years after the issue date. The Company will announce the exercise price of the Options to ASX once it has been calculated.
- (c) The Options will vest immediately.
- (d) The Options will be unlisted and transferable only with the consent of the Board.
- (e) The full terms and conditions of the Options are set out in Annexure A.
- (f) The Company will issue the Options no later than one month after the date of the General Meeting.
- (g) Each of the Directors has an interest in Resolutions 1 to 4 and therefore believe it inappropriate to make a recommendation.

- (h) The dilution effect if Resolutions 1 to 4 are approved and all Options are exercised and no additional Shares are issued is as follows:

Current Number of Shares on Issue	644,115,300
Number of Options to be offered	13,000,000
Dilution Effect if all Options exercised	2.0%

- (i) The current relevant interests in security holdings of the Directors are as follows:

Name of Director	Fully Paid Ordinary Shares
David Crook	7,172,911
Craig McGown	5,171,428
Allan Trench	2,706,997
Thomas Wayne Spilsbury	2,821,427

The Directors or their associates currently do not hold any Options in the Company.

- (j) A voting exclusion statement is included in the Notice.
- (k) No funds will be raised by the grant of the Options. Any funds raised by the exercise of Options proposed to be issued to the Directors will be used to further the Company's targeted exploration initiatives and provide additional working capital.
- (l) The current remuneration of each of the Directors is as follows:

Name of Director	Remuneration
David Crook	<p>Base salary of \$300,706.67 per annum including statutory superannuation.</p> <p>Allowance for a motor vehicle up to \$15,000 per annum.</p> <p>Payment of insurance premiums each year relating to disability, key man and Directors and officers liability insurance (FY2014: \$12,747; FY2015 to date: \$12,929).</p> <p>Eligible for annual cash bonuses at the Board's discretion based upon the Board's assessment of his performance taking into consideration the attainment of his key performance indicators. (FY2014: \$22,883; FY2015 to date: \$75,000)</p>
Craig McGown	<p>Director's fees of \$75,000 per annum including statutory superannuation.</p> <p>Payment of Directors and officers liability insurance premiums each year. (FY2014: \$4,842; FY2015 to date: \$3,125)</p>
Allan Trench	<p>Director's fees of \$55,000 per annum including statutory superannuation.</p> <p>Payment of Directors and officers liability insurance premiums each year. (FY2014: \$4,842; FY2015 to date: \$3,125)</p>
Thomas Wayne Spilsbury	<p>Director's fees of \$55,000 per annum including statutory superannuation.</p> <p>Payment of Directors and officers liability insurance premiums each year. (FY2014: \$4,842; FY2015 to date: \$3,125)</p>

The Directors or their associates have not been issued with any Options since 23 December 2011 and all those particular Options have since expired with all Directors and their associates not currently holding any Options in the Company.

- (m) On the basis of the assumptions below the Company has received an independent valuation from Stantons International who have determined the value of one Option as at 6 February 2015 as follows:

Tranche	Exercise Price per Option	Exercise Price per Option for the purpose of the valuation	Expiry Date	Value (\$) per Option
A	1.43 times 5 day VWAP*	\$0.0288 [^]	Three years from date of issue	\$0.018
B	Higher of 1.43 times 5 day VWAP* or \$0.05	\$0.05	Three years from date of issue	\$0.017
C	Higher of 1.43 times 5 day VWAP* or \$0.075	\$0.075	Three years from date of issue	\$0.0161

* The 5 day VWAP will be the 5 day volume weighted average price of Pioneer Shares up to and including the day of the General Meeting.

[^] 1.43 times the 5 day volume weighted average price of Pioneer Shares to 6 February 2015.

Assuming the 13,000,000 Options proposed to be issued to each Director this valuation imputes a total value of approximately \$221,433.33 for the proposed Options (respectively \$127,750.00 for Mr Crook, \$42,583.33 for Mr McGown and \$25,550.00 for each of Dr Trench and Mr Spilsbury).

The value may go up or down as it will depend in part on the future price of a Share.

Black & Scholes methodology has been used, together with the following assumptions:

- (i) interest rate set at 2.75% which is the three year Australia Government bond rate;
- (ii) the date of valuation for the purposes of setting the current market value of a Share and the exercise price of an Option is 6 February 2015;
- (iii) a Share price of \$0.02 being the closing price on ASX on 6 February 2015;
- (iv) exercise prices for the Tranche A options of \$0.0288, Tranche B Options of \$0.05 and Tranche C Options of \$0.075; and
- (v) volatility of 173.35% which is based on the an option volatility calculator, the Company's share price and the Company's ASX announcements over the last 12 months and the general trend in shares of companies in similar businesses trading on ASX over that last 3 and 12 months.

- (n) There is no cash cost to the Company in issuing the Options. The value of the Options at the time of their issue is, however, recorded as an expense in the Company's accounts. If the Options are exercised and the Shares are trading at that time above the exercise price there may be a perceived cost to the Company as the Company may have been able to issue the Shares at a higher price.
- (o) Historical Share price information for the last three months prior to the date of lodgement of this Explanatory Statement with ASIC is as follows:

	Price	Date
Highest	\$0.026	4 February 2015
Lowest	\$0.011	16 December 2014
Last	\$0.018	23 February 2015

Other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by Shareholders to consider Resolutions 1 to 4.

3. RESOLUTION 5 – RATIFICATION OF SHARE PLACEMENT

On 20 February 2015, the Company issued a total of 27,778,000 Shares at an issue price of \$0.018 per Share raising approximately \$500,000 to professional and sophisticated investors and clients of Bell Potter Securities Limited. This placement was announced to ASX on 16 February 2015.

The Company issued these Shares under its available placement capacity pursuant to Listing Rule 7.1.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the 27,778,000 Shares issued on 20 February 2015 pursuant to Listing Rule 7.1.

Under Chapter 7 of the Listing Rules there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities without shareholder approval. Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue during any 12 month period any equity securities, including securities with rights of conversion to equity (such as options), if the number of those securities exceeds 15% of the number of ordinary shares on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides however that an issue under Listing Rule 7.1 is treated as having been made with Shareholder approval if each of the following applies:

- the issue did not breach Listing Rule 7.1; and
- Shareholders subsequently approve it.

This placement of Shares was within the Company's 15% limit and subsequent approval under Listing Rule 7.4 is now being sought in order to reinstate the 15% limit.

In accordance with Listing Rule 7.5 the following information is provided in relation to Resolution 5:

Number of Shares Issued: 27,778,000 Shares.

Issue Price: \$0.018 per Share.

Terms: The Shares rank equally in all respects with the existing Shares on issue.

Allottees: The Shares were issued to professional and sophisticated investors and clients of Bell Potter Securities Limited. The allottees were not Related Parties of the Company.

Use of Funds: The funds raised from the placement will be allocated to the Fairwater Nickel Project in the Albany-Fraser Orogen, and for near-mine drilling at the Blair Nickel Mine Extensions Project.

Date of Issue: 20 February 2015.

Voting Exclusion: An appropriate voting exclusion statement is included in the Notice of General Meeting.

The Directors recommend that the Shareholders vote in favour of this Resolution.

4. DEFINITIONS

In this Explanatory Statement:

\$ means Australian dollars.

Associate has the meaning set out in sections 11 to 17 of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

Board means the Board of Directors of the Company.

Closely Related Party has the meaning given to it in section 9 of the Corporations Act.

Company or **Pioneer** means Pioneer Resources Limited, ACN 103 423 981.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of General Meeting.

FY2014 means the financial year ending 30 June 2014 and **FY2015** means the financial year ending 30 June 2015.

General Meeting or **Meeting** means the meeting of the Shareholders convened for the purposes of considering the Resolutions contained in the Notice of General Meeting.

Key Management Personnel has the meaning given to it in section 9 of the Corporations Act.

Listing Rules or **ASX Listing Rules** means the listing rules of the ASX.

Notice of General Meeting or **Notice** means the notice convening the General Meeting accompanying this Explanatory Statement.

Option means an option to acquire a Share in the Company.

Proxy Form means the form of proxy accompanying this Notice of General Meeting.

Related Party means a party so defined by section 228 of the Corporations Act.

Resolution means a resolution proposed to be passed at the General Meeting and contained in the Notice of General Meeting.

Section means a section of the Notice of General Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a person entered in the Company's register as a holder of a Share.

VWAP means the volume weighted average price.

WST means Western Standard Time.

ANNEXURE A

Option Terms and Conditions

- (a) Each Option gives the holder (**Optionholder**) the right to subscribe for one (1) Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with these terms and conditions.
- (b) The Options will vest immediately on issue.
- (c) The Options will expire at 5:00pm (WST) on the date which is 3 years from their issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) The Options will be issued and exercisable in three equal tranches with tranche A exercisable at 1.43 times the 5 day volume weighted average price (VWAP) of Pioneer Shares up to and including the day of the General Meeting, tranche B exercisable at the higher of 1.43 times the VWAP of Pioneer Shares up to and including the day of the General Meeting or \$0.05 and tranche C exercisable at the higher of 1.43 times the VWAP of Pioneer Shares up to and including the day of the General Meeting or \$0.075 (**Exercise Price**).
- (e) The Options may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
- (f) Optionholders may exercise their Options by lodging with the Company, before the Expiry Date (i) a written notice of exercise of Options specifying the number of Options being exercised, and (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of ordinary shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (i) The Options will not be transferable without the consent of the Board.
- (j) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (k) The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX within 10 Business Days after the allotment of those Shares.
- (l) If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- (n) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to shareholders after the date of issue of the Options, the exercise price of the Options may be reduced in accordance with the formula set out in the ASX Listing Rules.
- (o) In the event the Company proceeds with a bonus issue of securities to shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.

PIONEER RESOURCES LIMITED
ACN 103 423 981
PROXY FORM

<INSERT NAME>
<INSERT ADDRESS>
<INSERT ADDRESS>
<INSERT ADDRESS>
<INSERT ADDRESS>

SRN/HIN <INSERT>

Appointment of Proxy

I/We being a member/s of Pioneer Resources Limited and entitled to attend and vote hereby appoint

**the Chairman of
the Meeting** **OR**
*(mark with an
'X')*

PLEASE NOTE: *Leave this box
blank if you have selected the
Chairman of the Meeting. Do not
insert your own name(s).*

or failing the person so named or, if no person is named, the Chairman of the General Meeting, or the Chairman's nominee, as my/our proxy and to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting of Pioneer Resources Limited to be held at the offices of Pioneer Resources Limited, 21 Ord Street, West Perth, Western Australia at 10.00am on Wednesday, 1 April 2015 and at any postponement or adjournment thereof.

IMPORTANT - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you do not mark any of the boxes below you are expressly authorising and directing the Chairman of the Meeting to exercise your proxy in accordance with the Chairman's voting intentions as set out below even though Resolutions 1 to 4 are connected directly or indirectly with the remuneration of a member of Key Management Personnel for Pioneer Resources Limited, which includes the Chairman.

The Chairman of the Meeting intends to vote all available proxies in favour of all Resolutions.

Votes on items of business

(Voting directions to your proxy – please mark **X** to indicate your directions)

		FOR	AGAINST	ABSTAIN*
Resolution 1	Approval of Grant of Options to Mr David Crook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of Grant of Options to Mr Craig McGown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Grant of Options to Dr Allan Trench	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Grant of Options to Mr Thomas Spilsbury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Share Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.

Appointment of a second proxy

If two proxies are being appointed, the proportion of voting rights this proxy represents is %.

Authorised signature(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

INDIVIDUAL/SECURITY HOLDER 1

Individual/Sole Director and
Sole Company Secretary

SECURITY HOLDER 2

Director

SECURITY HOLDER 3

Director/Company Secretary

Contact Details **Name** _____ **Telephone** _____

Voting By Proxy - How to complete the Proxy Form

Your Name, Address and Shareholder Details

Your name and address as it appears on the share register of Pioneer Resources Limited is at the top of the Proxy Form.

Appointment of a Proxy

Please write the name of that person you wish to appoint as proxy in the space indicated. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman will be your proxy and vote on your behalf. A proxy need not be a shareholder of Pioneer Resources Limited.

Votes on Items of Business

You may direct your proxy how to vote by placing a mark one of the three boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy will vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy you must state the percentage of your voting rights on each of the first Proxy Form and the second Proxy Form and return both forms together.

Authorised Signature/s

You must sign this form as follows in the spaces provided:

- Joint Holding in the case of joint holders the Proxy Form must be signed by all holders.
- Power of Attorney if signed under a Power of Attorney, you must have already lodged it with the Company, or alternatively, attach the Power of Attorney or a copy to this Proxy Form when you return it.
- Companies a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also the sole Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the meeting and a Proxy Form is not used, then an appropriate "Certificate of Appointment of Representative" should be produced prior to admission.

Lodgement of Proxy Form

This Proxy Form and any Power of Attorney or other authority under which it is signed (or a copy or facsimile which appears on its face to be an authentic copy of the proxy, power or authority) must be received no later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged by:

- delivering it or posting it to Pioneer Resources Limited, 21 Ord Street, West Perth WA 6005; or
- faxing it to the Company on facsimile number +61 8 9486 9393; or
- emailing it to the Company at pioneer@pioresources.com.au.