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Shallow High Grade Gold Lode Intersected at Kalpini South

Pioneer Resources Limited ("**Company**" or "**Pioneer**") (ASX: PIO) is pleased to provide an interim drilling update to the program outlined in an announcement on 27th November 2015. The drilling is at the Company's 100% held Acra Gold Project, located 60km northeast of Kalgoorlie, WA.

Gold assays have been received from the two reverse circulation drill holes completed at the Kalpini South Prospect. Results included:

KSRC031: 9m at 6.17g/t Au. Includes high grade lode gold - 2m at 20.7g/t - at a depth of 55m vertically below surface

KSRC032: 7m at 1.92g/t from 106m, including 3m at 3.56g/t, at a point 40m further 'down-dip' of the KSRC031 intersection.

Key Points:

- Drill holes were step outs from the Kalpini South discovery holes KSRC004 (10m at 6.38g/t[1,2]) and KSRC005 (9m at 5.31g/t[1,2]);
- New results demonstrate continuity to the high grade lode structure reported on 6th October 2015;
- A zone of supergene gold mineralisation is now evident from a depth of 35m below surface, that is potentially amenable to open pit mining methods;
- Gold is associated with iron and iron-arsenic sulphides (pyrite and arsenopyrite), within an andesitic volcanoclastic unit.

The December drilling program will be completed later today.

High Grade Lode Gold Target at Kalpini South:

2 reverse circulation holes (reported herein) and 2 diamond core drill holes completed.

The diamond core holes intersected the targeted andesitic volcanoclastic unit, which contains sulphide nodules and layers, and possibly represents a gold-bearing volcanogenic massive sulphide (VMS) horizon. No gold assays have been returned yet. The holes have been cased and are available for down-hole EM surveys, used to detect further nearby massive sulphide lenses that are prospective for gold in this environment.

Four Targets Drilled near Kalpini South:

Aircore drilling tested targets on the periphery of the Kalpini South Prospect. All samples are in the laboratory.

Gold Anomalies South-East along the Acra Structural Corridor:

5 traverses of aircore drilling are testing for the presence of three interpreted gold structures.

Jubilee Gift:

Three close spaced, parallel, mineralised structures have been recognised through mapping old workings and correlating this with historical shallow RAB drilling. In this area the main working is the Jubilee Gift South Mine which produced 1,738 tonne of ore grading 22.4g/t between 1899 and 1903[3].

Two RC holes have been drilled under the old workings.

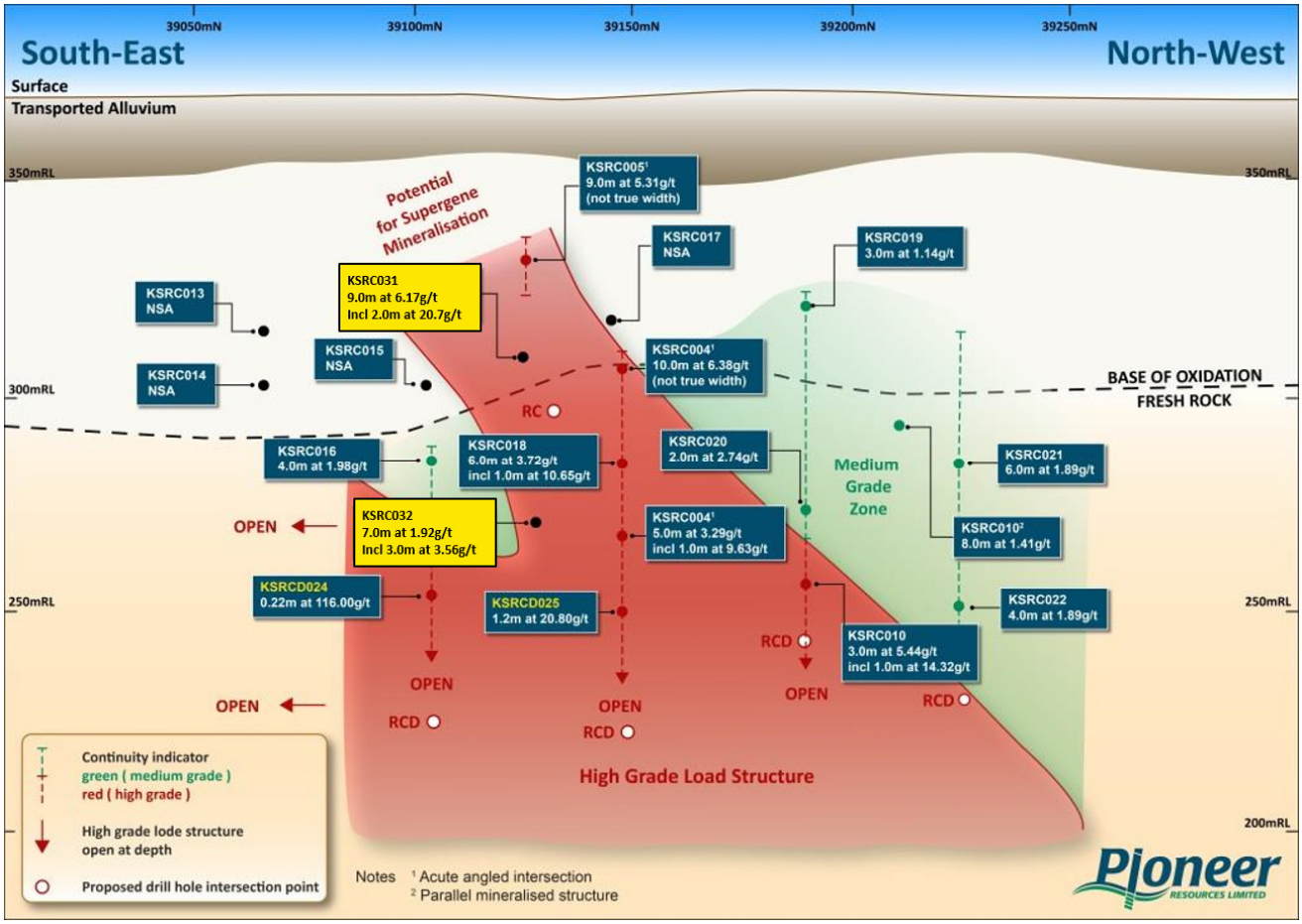

Figure 1: *Long section showing an interpretation of the Kalpini South Gold Lode. Marked points are drill hole pierce points through the plane of the gold mineralisation.*

Shown are the proposed pierce points of this program's reverse circulation drill holes (marked in yellow) and pre-collared diamond core drill holes ("RCD"). These holes are designed to infill and extend the known mineralisation.

Table 1
Drill Hole Summary and High Grade Report

Hole ID	East	North	Dip	Azimuth	Depth	Intersection	From
	(m)	(m)			(m)		(m)
KSRC031	**399270**	**6635017**	**-60**	**214**	**97**	**9m at 6.17g/t**	**60**
	Includes					**2m at 20.7g/t**	**63**
	and					3m at 1.23g/t	84
KSRC032	399282	6635038	-60	214	127	7m at 1.92g/t	106
	Includes					3m at 3.56g/t	106

ABOUT THE ACRA GOLD PROJECT

The Acra Gold Project is one of the Company's three key exploration assets. The other two are the Fairwater Nickel Project in the Albany Fraser Orogen, where a gravity survey has just been completed; and the Blair Dome Nickel Project between Kalgoorlie and Kambalda, where near-mine target generation is continuing.

The Acra Project has a 20km long, north-west trending, structural corridor, which is evident in aeromagnetic data with elements observable in field mapping, and which is considered prospective for gold. Physical gold has been recovered from small gold workings that date from the 1890s until WW2, and more recently from

nugget patches that are still being located and worked. Most exploration undertaken from the early 1970s to the present, however, has focussed on identifying nickel mineralisation.

There are many examples of large, narrow vein, high grade gold lode systems throughout the Eastern Goldfields of Western Australia, including the very successful Andy Well Mine (Doray Minerals Limited ASX: DRM), the Daisy Milano Mine (Silver Lake Resources Limited (ASX: SLR) and the Wattle Dam Mine (Ramelius Resources Limited ASX: RMS) where quartz lodes carrying high gold grades were mined.

Pioneer is progressively evaluating its Acra targets in a sequence reflecting the priority attributed each target. Ongoing work programs include:

- RC drilling to quantify the supergene gold zone at Kalpini South;
- Further soil geochemistry programs at Kalpini West, Mayday North, Iron King, Jubilee West and other structural targets;
- New traverses and infill aircore drilling over structural targets and geochemical anomalies, and in areas where alluvial channels preclude the use of soil geochemistry.
- Drilling for shallow supergene gold, and deeper primary gold deposits;

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Note 1. Acute intersection angle of drill holes into the mineralised structure means exaggerated intersection width.

Note 2. For further information about drill intersections noted in the text and on Figure 1 refer to the Company's announcements dated 16 April 2014, 22 October 2014, 26 June 2015, 6 October 2015 and Quarterly Activities Reports.

Note 3. Historical record for the Jubilee Gift workings. See:

http://minedexext.dmp.wa.gov.au/minedex/external/common/jump.jsp?jumpType=SITE&id=S0010072

The Company is not aware of any new information or data that materially affects the information included in this announcement.

Glossary

"Aircore" is a blade drilling technique which returns relatively uncontaminated samples through a central annulus inside the drill pipes. It is used to test the regolith (near surface unconsolidated and weathered rock) as an alternative to RAB drilling when conditions are wet, sandy or holes need to go deeper than by RAB.

"Diamond Drilling" or "Core Drilling" uses a diamond-set drill bit to produce a cylindrical core of rock.

"g/t" means grams per tonne (used for precious metals) and is equivalent to ppm.

"ppm" means 1 part per million by weight.

"RAB" means rotary air blast, a cost-effective drilling technique used to test the regolith (near surface unconsolidated and weathered rock) for plumes of trace-level gold that may have dispersed from a nearby primary source of gold. In this type of work gold values above 0.2g/t are considered anomalous and above 1g/t, very anomalous.

"RC" means reverse circulation, a drilling technique that is used to return uncontaminated pulverised rock samples through a central tube inside the drill pipes. RC samples can be used in industry-standard Mineral Resource estimates.

"Regolith" means the layer of loose, heterogeneous material covering solid rock. It includes dust, soil, broken rock, and other related materials. In Western Australia it most commonly refers to the almost ubiquitous layer of weathered and decomposed rock overlying fresh rock.

Elements: "Au" means gold, "Cu" copper, "Ni" nickel, "Ag" silver, "Pb" lead, "Zn" zinc, "Pt" platinum, "Pd" palladium.

"N", "S", "E", or "W" refer to the compass orientations north, south, east or west respectively.

"pXRF" means portable x-ray fluorescence. Pioneer owns an Olympus portable XRF analyser which is an analytical tool providing semi-quantitative analyses for a range of elements 'in the field'.

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 and a member of The Australasian Institute of Mining and Metallurgy (member 105893) and the Australian Institute of Geoscientists (member 6034). Mr Crook has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Crook consents 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.

APPENDIX 1. Drill Hole Information, Result Summary and Competent Person

Table 2 Reverse Circulation Drill Hole Collar Locations						
Hole ID	**East (m)**	**North (m)**	**Survey**	**Depth (m)**	**Dip (º)**	**Azimuth (º)**
KSRC031	399270	6635017	GPS	97	-60	214
KSRC032	399282	6635038	GPS	127	-60	214

Table 3 Selected Assays				
Hole_ID	**SampleID**	**mFrom**	**mTo**	**Au_ppm**
KSRC031	ARC101213	50	51	0.27
KSRC031	ARC101214	51	52	1.05
KSRC031	ARC101222	59	60	0.38
KSRC031	ARC101223	60	61	1.46
KSRC031	ARC101224	61	62	2.60
KSRC031	ARC101225	62	63	1.57
KSRC031	ARC101226	63	64	15.80
KSRC031	ARC101227	64	65	25.61
KSRC031	ARC101228	65	66	3.97
KSRC031	ARC101229	66	67	1.21
KSRC031	ARC101231	67	68	1.83
KSRC031	ARC101232	68	69	1.47
KSRC031	ARC101242	81	84	0.07
KSRC031	ARC101243	84	87	1.23
KSRC031	ARC101244	87	90	0.05
KSRC032	ARC101314	102	103	0.11
KSRC032	ARC101315	103	104	0.76
KSRC032	ARC101317	105	106	0.29
KSRC032	ARC101318	106	107	2.91
KSRC032	ARC101319	107	108	2.36
KSRC032	ARC101320	108	109	5.40
KSRC032	ARC101321	109	110	1.01
KSRC032	ARC101322	110	111	0.21
KSRC032	ARC101324	112	113	1.41
KSRC032	ARC101325	113	114	0.49

Section 1 - Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Acra Project, Kalpini South Prospect.

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut Faces, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• **Reverse circulation (RC) samples from holes drilled from surface reported.**
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• **Industry-standard reverse circulation drilling, using a face-sampling hammer.** • **Samples were generally divided and collected using a cyclone and riffle splitter into samples of approximately 3.5kg weight.** • **Certified Reference Standards were inserted at regular intervals to provide assay quality checks. The standards reported within acceptable limits.** • **Auxiliary and Booster compressors used to ensure dry samples.**
	• *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• **Reverse circulation drilling was used to obtain 1 m samples from which approximately 3.5 kg sampled.** • **3.5kg samples were crushed and pulverised by pulp mill to nominal P80/75um to produce a 50 gram charge for analysis.** • **Gold assays were analysed by 50g Fire Assay (Intertek analysis code FA50/OE). 5ppb lower detection limit.**

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• **Reverse Circulation Drilling.**
		  ○ **4.5 inch drill string.**
		  ○ **Face-sampling hammer.**
		  ○ **Auxiliary and Booster compressors used to exclude ground water.**

Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• **The geologist records occasions when sample quality is poor, or sample return is low, or the sample is wet or compromised in another fashion.**
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• **Sample recovery is generally good for RC drilling using the equipment described.** • **Sample recovery is mostly under the control of the drill operator and is generally influenced by the experience and knowledge of the operator.**

Criteria	JORC Code explanation	Commentary
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• **Because the sample recoveries are assumed to be high, any possible relationship between sample recovery and grade has not been investigated.**
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• **Lithological logs exist for these holes in a database. Fields captured include lithology, mineralogy, sulphide abundance and type, alteration, texture, recovery, weathering and colour.**
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, Face, etc) photography.*	• **Logging has primarily been qualitative.** • **Qualitative litho-geochemistry based on pXRF analyses is used to confirm rock types.** • **Samples that are representative of lithology are kept in chip trays for future reference.**
	• *The total length and percentage of the relevant intersections logged.*	• **The entire length of the drill holes were logged.**
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• **Samples are generally cone split when dry or occasionally tube sampled if wet, yielding an approximate 3.5kg sub-sample.** • **The sample collection, splitting and sampling for this style of drilling is considered to be standard industry practise.**
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• **Cyclones are routinely cleaned after each 6m rod.** • **Geologist looks for evidence of sample contamination, which would be recorded if evident.** • **The use of booster and auxiliary compressors generally ensures samples are dry, which best ensures a quality sample.**
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• **Standard Reference Material is included at a rate of 1 per 25 samples.** • **Duplicate field samples are not routinely collected at this stage of the project. Rather, samples that assay above 0.75g/t are regularly repeated from the 3.5kg sample retained by the laboratory.** • **Laboratory quality control samples are also monitored.**
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• **Studies by Pioneer have shown that a 50g fire assay produces repeatable results.** • **Field samples in the order of 2-3.5kg are considered to correctly represent the gold in potential ore at the Acra Project.**
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• **The sample preparation and assay method used is considered to be standard industry practice and is appropriate for the type of deposit. The fire assay technique is a near total assay.**

Criteria	JORC Code explanation	Commentary
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• **Pioneer owns an Olympus Delta handheld XRF instrument which it used to assist with rock-type classification only.**
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• **Standards and laboratory checks have been assessed. Most of the standards show results within acceptable limits of accuracy, with good precision in most cases. Internal laboratory checks indicate very high levels of precision.**
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.*	• **Not at this stage of the project development.**
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• **Pioneer has a digital SQL drilling database where information is stored.** • **The Company uses a range of consultants to load and validate data, and appraise quality control samples.**
	• *Discuss any adjustment to assay data.*	• **Pioneer has not adjusted any assay data.**
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• **Collar surveys were completed using a hand-held GPS with an accuracy of +-5 metres.** • **The Company will engage a certified surveyor to survey the collar positions to an accuracy of =- 150mm in due course.**
	• *Specification of the grid system used.*	• **MGA94 (Zone 51)**
	• *Quality and adequacy of topographic control.*	• **Fit for purpose.**
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• **Individual drill holes.**
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• **Not at this time**
	• *Whether sample compositing has been applied.*	• **All reported assays are of 1m samples.**
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• **The strike of the mineralisation is estimated at 300^0. Accordingly, the drilling direction of 214^0 is considered optimal.** • **Intercept widths are apparent due to the steep dip of the mineralised structure, intersected by a drill dip of approximately -60^o. Actual widths are likely to be less than that stated.**

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Pioneer uses standard industry practices when collecting, transporting and storing samples for analysis. • Drilling pulps are retained by Pioneer off site.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Sampling techniques for assays have not been specifically audited but follow common practice in the Western Australian gold industry. • The assay data and quality control samples are periodically audited by an independent consultant.

Section 2 - Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites*	• The Kalpini South drilling reported herein is entirely within E27/438 which is a granted Exploration Licence. • The tenement is located approximately 60km NE of Kalgoorlie WA. • Pioneer Resources Limited is the registrable holder of the tenement and holds a 100% unencumbered interest in all minerals within the tenement. • The Central East Goldfields People have a registered Native Title Claim which covers the tenement. This Claim remains unresolved.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• At the time of this Statement E27/436 is in Good Standing. To the best of the Company's knowledge, other than industry standard permits to operate there are no impediments to Pioneer's operations within the tenement.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• This report does refers to a Mineral Resource Statement by KalNorth Gold Mines Limited ("KGM"). The reference is to information published on the KGM website, and was referenced on 16 April 2014..
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kalpini South mineralisation, while identification is at a very early stage, is likely to be a typical Eastern Goldfields-style shear hosted gold deposit. • The mineralisation is currently hosted within a felsic volcani-clastic rock adjacent to a mafic (dolerite) body. • Gold occurs within a zone that is sheared, has quartz veining and deposits of iron sulphides. This zone strikes at approximately 300^0 and dips steeply towards NW.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes, including easting and northing of the drill hole collar, elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar, dip*	• Refer to Appendix 1 of this announcement.

Criteria	JORC Code explanation	Commentary
	and azimuth of the hole, down hole length and interception depth plus hole length. • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• **Intercepts noted are from 1m sample intervals.** • **With a 0.5g/t (lower) cutoff, a minimum of 3 adjacent samples grading above 0.5g/t used for the length weighted average. Runs of up to 3m of contiguous internal dilution is permitted for wider intercepts.** • **Intercepts noted with a 1.0g/t (lower) cutoff comprise all samples grading above 1.0g/t. Runs of up to 3m of contiguous internal dilution is permitted for wider intercepts.** • **No metal equivalent values have been used.**
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• **Downhole lengths are reported in Appendix 1 and are most often not an indication of true width.**
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• **Refer to maps in this report.**
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• **Comprehensive reporting of drill details has been provided in Appendix 1 and Appendix 2 of this announcement.**
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• **All meaningful and material exploration data has been reported.**
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• **Having ascertained the strike and dip of a mineralised structure at Kalpini South Prospect the next phase of drilling will be conducted .using a more appropriate drill hole azimuth, being approximately 210^0.** • **Fences of drill holes, on a nominal 40x20m grid are planned.**