

Capital Raisings Total \$4.8 Million Ahead of Drilling

Drilling Programmes Targeting Lithium at Pioneer Dome (Western Australia) and Mavis Lake and Raleigh (Ontario, Canada) to Proceed.

Perth Western Australia, 22 July 2016: Pioneer Resources Limited ("Company" or "Pioneer") (ASX: PIO) is pleased to advise that it has successfully completed its current capital raising strategies and will now embark on drilling programmes at its most advanced lithium projects.

Drilling will further test known spodumene-bearing pegmatites at the Mavis Lake and recently acquired Raleigh Projects in Ontario, Canada; and additional new pegmatite targets that are resulting from the lithium-focussed geochemistry surveys in progress at the Company's 100%-held Pioneer Dome Project.

Drilling is on track to be underway in September 2016 at both Projects, assuming the timely receipt of statutory approvals. Further information in respect of drilling at these projects will be released shortly.

In total, the Company has raised \$4,788,700 (before issue costs).

The completed capital raisings comprised:

- **\$3,270,400 from a Placement to professional and sophisticated investors of Sanlam Private Wealth (before issue costs).**

This Placement, which was announced to ASX on 27 June 2016, resulted in the Company issuing approximately 90.8 million fully paid ordinary shares at an issue price of \$0.036 per share, and approximately 30.3 million free attaching options to acquire a fully paid ordinary share in the Company at an exercise price of \$0.06 each on or before 31 July 2018 (issued on a one option for every three shares subscribed for and issued).

- **\$1,518,300 from the Share Purchase Plan ("SPP"), (before issue costs).**

Under the SPP, the Company has issued approximately 42.2 million fully paid ordinary shares at an issue price of \$0.036 per share.

Subject to shareholder approval, approximately 14.1 million free attaching options, each to acquire a fully paid ordinary share in the Company, will be issued on a one option for every three shares subscribed for and issued basis. Options may be exercised at a price of \$0.06 each on or before 31 July 2018. Upon receiving shareholder approval at a General Meeting to be convened shortly, Pioneer will apply to quote the options on ASX. The Company is also required to lodge a transaction-specific disclosure document with respect to the proposed option issue.

ASX Appendix 3B is attached.

The new funds augment the Company's cash balance which, at 31 March 2016, was \$2.05m.

"On behalf of the Board I extend our thanks and appreciation to new and existing shareholders who participated in either the placement or the SPP, and for their on-going support. The Company is at a very exciting stage and once statutory approvals are received, we will commence the first lithium-focussed drilling on our recently acquired Canadian and Western Australian exploration assets, from a well-funded base."

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



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About Pioneer Resources Limited

Pioneer is an active junior exploration company focused on key global demand-driven commodities. This includes a portfolio of strategically located, quality lithium assets in Northwest Ontario, Canada and Western Australia as well as gold, nickel and other commodity projects in sought-after mining regions in Western Australia.

The Company is focused on delivering shareholder value by actively strengthening its project portfolio through acquiring, pegging and reviewing new opportunities, and targeted exploration programs to facilitate the discovery and commercialisation of high value mineral resources.

The Company's commitment to other projects, including its 100%-held Acra Gold Project, and 100%-held Blair Dome Nickel Sulphide Project, remains unchanged and it will provide details of the next phase of planned exploration initiatives in due course.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Pioneer Resources Limited

ABN

44 103 423 981

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 42,174,962 fully paid ordinary shares. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | | |
|----|---|--|
| 4 | <p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>Yes - fully paid ordinary shares.</p> |
| 5 | Issue price or consideration | \$0.036 per share |
| 6 | <p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>Issue of shares pursuant to the Company's Share Purchase Plan announced to ASX on 27 June 2016.</p> |
| 6a | <p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p> | <p>Yes.</p> |
| 6b | The date the security holder resolution under rule 7.1A was passed | 17 November 2015/13 June 2016 |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | 42,174,962 fully paid ordinary shares. |

+ See chapter 19 for defined terms.

| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil. | | | | | | |
|---------------|---|---|--------|--------|---------------|-----------------------------|------------|---|
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil. | | | | | | |
| 6f | Number of +securities issued under an exception in rule 7.2 | 42,174,962 fully paid ordinary shares. | | | | | | |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | N/A | | | | | | |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A | | | | | | |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | ASX Listing Rule 7.1 – 111,192,029 ASX Listing Rule 7.1A – 27,605,039 | | | | | | |
| 7 | +Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B. | 21 July 2016. | | | | | | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | <table><tr><th>Number</th><th>+Class</th></tr><tr><td>1,034,867,169</td><td>Fully paid ordinary shares.</td></tr><tr><td>30,281,454</td><td>Options exercisable at 6 cents each by 31 July 2018</td></tr></table> | Number | +Class | 1,034,867,169 | Fully paid ordinary shares. | 30,281,454 | Options exercisable at 6 cents each by 31 July 2018 |
| Number | +Class | | | | | | | |
| 1,034,867,169 | Fully paid ordinary shares. | | | | | | | |
| 30,281,454 | Options exercisable at 6 cents each by 31 July 2018 | | | | | | | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | Number | +Class |
|----|---|--|
| 9 | Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | 30,000,000 |
| | | Options exercisable at 30c each on or before 15/10/17. |
| | 5,000,002 | Options exercisable at 2.6c each on or before 30/4/18. |
| | 5,500,001 | Options exercisable at 5c each on or before 30/4/18. |
| | 5,499,997 | Options exercisable at 7.5c each on or before 30/4/18. |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | No dividends declared or paid. |

Part 2 - Pro rata issue

| | | |
|----|--|-----|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |

+ See chapter 19 for defined terms.

| | | |
|----|--|--|
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ☒ ⁺Securities described in Part 1
- (b) ☐ All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

⁺ See chapter 19 for defined terms.

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

| 42 | Number and +class of all +securities quoted on ASX (including the +securities in clause 38) | Number | +Class |
|----|---|--------|--------|
| | | | |

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


(~~Director~~/Company secretary)

Date: 22 July 2016

Print name: JULIE ANNE WOLSELEY

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 678,685,274 |
| Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items | 28/10/15 – 30,916,666 fully paid ordinary shares (approved by shareholders on 17/12/15). 6/11/15 - 6,700,000 fully paid ordinary shares (approved by shareholders on 17/12/15). 22/12/15 – 4,083,333 fully paid ordinary shares (approved by shareholders on 17/12/15). 24/3/16 – 161,000,000 fully paid ordinary shares (approved by shareholders on 13/6/16) 2/5/16 - 19,096,318 fully paid ordinary shares (approved by shareholders on 13/6/16) 31/5/16 – 500,000 fully paid ordinary shares (approved by shareholders on 1/4/2015) 21/7/16 – 42,174,962 fully paid ordinary shares – Share Purchase Plan (exception 15 to ASX LR 7.2) |
| Subtract the number of fully paid +ordinary securities cancelled during that 12 month period | Nil. |
| “A” | 943,156,553 |

+ See chapter 19 for defined terms.

| | |
|---|--|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 141,473,483 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 30,281,454 listed options – issued on 1 July 2016 |
| “C” | 30,281,454 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 141,473,483 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | 30,281,454 |
| Total [“A” x 0.15] – “C” | <p>111,192,029</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p> |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|--|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 943,156,553 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 94,315,655 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items | 65,844,441 fully paid ordinary shares – issued on 1 July 2016 866,175 fully paid ordinary shares – issued on 30 June 2016 |
| “E” | 66,710,616 |

+ See chapter 19 for defined terms.

| | |
|--|---|
| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 94,315,655 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | 66,710,616 |
| Total [“A” x 0.10] – “E” | 27,605,039 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.