

Exploration Update for the Mavis Lake and Raleigh Lithium Pegmatite Projects, Ontario, Canada

Perth, W.A. 12 October, 2016, Perth Western Australia: Pioneer Resources Limited ("Company" or "Pioneer", ASX: PIO) and International Lithium Corp. ("ILC", TSX Venture: ILC.V) are pleased to provide the following update regarding forthcoming drilling programmes at the Mavis Lake and Raleigh Lithium Projects, located in Ontario, Canada.

MAVIS LAKE LITHIUM PROJECT: Exploration Permit Application Progress

Progress towards a drilling start date is advancing for the Mavis Lake Project with a statutory 30 day Notification Period for the Exploration Permit Application having now elapsed. The Ministry of Northern Development and Mines, Ontario, is currently reviewing the Application, and any submissions that might have been received.

Once the Exploration Permit is approved, the first diamond drill holes will target spodumene mineralisation at MPEG018, and then the rig will move to targets in the vicinity of MPEG006.

Work In Progress – Mavis Lake Project (Refer to Figure 1).

- 58 line km ground magnetic survey completed and imagery received;
- Assays from 100 litho-geochemical samples (see below) provide new targets for spodumene mineralisation. A further 400 litho-geochemical samples are to be taken in priority areas, including extensions to the spodumene pegmatite targets in the recently acquired Mavis West Area;
- Mavis West Area staked. This increases the Mavis Lake Project area by 640 hectares. The new area is prospective for extensions to the western-most spodumene-bearing pegmatites of the Mavis Lake Project. Recorded pegmatites have been field checked and spodumene identified in outcrops by a joint venture geologist. Initial exploration activities will include a 58 km ground magnetic survey and a 100 litho-geochemical sample programme to map the prime pegmatite corridor and continue to delineate lithium bearing pegmatite zones. The total Mavis Lake Project area is now 3,133 ha.

Table 1: Drilling from 2011 and 2012 at the Mavis Lake Project included the following Intersections.¹

• MF-11-08: 7m at 1.83% Li ₂ O from 4m	• MF-12-24: 16.4m at 1.86% Li ₂ O from 161.9m
• MF-11-09: 7.8m at 1.86% Li ₂ O from 18.85m	• MF-12-25: 5.15m at 1.75% Li ₂ O from 130.7m
• MF-11-12: 16m at 1.53% Li ₂ O from 125m	• MF-12-28: 6m at 2.53% Li ₂ O from 6m
• MF-11-12: 26.25m at 1.55% Li ₂ O from 152m	• MF-12-30: 6.95m at 1.45% Li ₂ O from 32.25m
• MF-11-13: 5m at 1.44% Li ₂ O from 19m	• MF-12-33: 3m at 2.26% Li ₂ O from 22m
• MF-11-14: 3m at 2.15% Li ₂ O from 24m	• MF-12-34: 5m at 1.5% Li ₂ O from 24m
• MF-11-15: 5.35m at 1.51% Li ₂ O from 78.4m	• MF-12-36: 6m at 1.48% Li ₂ O from 31m

The highest lithium values on the Mavis Lake Property occur in albite-spodumene-type pegmatites such as that at MPEG018, where grab samples graded up to 3.14% Li₂O, and one composite channel sample across part of Pegmatite 18 graded 1.22% Li₂O² over 5.3m.

Note 1: Drill core lengths have not been converted into true width. Appropriate rounding of Li₂O (lithia) values applied.

Note 2: Clarke JG, Breaks FW, Osmani IA, 2010.

RALEIGH LITHIUM PROJECT – Field Work Underway – (Refer to Figure 2)

- Recently staked claims lift the total Project area to 936 ha.
- Extensional drilling of known spodumene-bearing pegmatites is scheduled for quarter 1, 2017. Targets to be drilled will include RPEG001 and Johnsons Pegmatite;
- A 500 litho-geochemical sample programme with accompanying mapping will be undertaken in Q4 2016, to infill large lithium litho-geochemical anomalies evident in wide-spaced work by past explorers. This is expected to generate additional drilling targets along strike from the Johnsons Pegmatite, the Crocker Bay Pegmatite and the RPEG002 trend;
- Comprehensive airborne magnetic survey will be flown later this month across the entire project to delineate pegmatites and enable drill hole placement.

Table 2: Drilling from 2010 at the Raleigh Project included the following Intersections.³

<ul style="list-style-type: none">• RL10-1: 2.7m at 2.02% Li₂O from 29.3m; and• RL10-1: 7.8m at 1.49% Li₂O from 153.2m• RL10-2: 8.5m at 2.38% Li₂O from 84m,• Includes 2.5m at 3.99% Li₂O from 87.5m	<ul style="list-style-type: none">• RL10-3: 5.95m at 1.64% Li₂O from 103.05m• Includes 5m at 0.032% Ta₂O₅ from 104m• RL10-5: 5m at 1.31% Li₂O from 26m• Includes 5m at 0.022% Ta₂O₅ from 27m• RL10-6: 14.2m at 1.07% Li₂O from 114m
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Note 3: Drill core lengths have not been converted into true width. Appropriate rounding of Li₂O (lithia) values applied.

About the Mavis and Raleigh Lithium Pegmatite Projects

The Mavis and Raleigh Lithium Projects are situated 19 and 80 kilometres respectively east from the town of Dryden, Ontario. Both Projects are in close proximity to the Trans-Canada highway and railway, both major transportation arteries linking larger cities such as Thunder Bay, Ontario to the southeast and Winnipeg, Manitoba to the west.

A \$1 million budget has been allocated across the Mavis and Raleigh lithium pegmatite projects. Scheduled exploration programmes include mapping, litho-geochemical sampling, and ground and airborne geophysics ahead of up to 3,000m of diamond drilling split between the projects. This work is planned for completion during the fourth quarter of 2016 and first quarter of 2017.

Since the joint venture was formed in June 2016 exploration activities have primarily been centred at the Mavis Lake Project, where a continuous-reading ground magnetic survey and litho-geochemical rock sampling and other geological methods to target mineralised LCT pegmatites have been undertaken. Field programmes in progress now include mapping, which is on-going, and follow-up litho-geochemical sampling to refine additional drill targets in areas identified as high priority, ahead of drilling which is expected to commence later this month.

Following completion of the exploration program at Mavis Lake Project the field crews will move to the Raleigh Project. The exploration program at Raleigh will include a 500 litho-geochemical rock sampling programme in areas recognised as prospective for LCT pegmatites, and a comprehensive airborne magnetic survey across the entire Project to delineate the target lithology and assist with drill placement.

Litho-geochemical Rock Sample Programme and Rare Metal Metasomatism.

Rare-metal pegmatites form as a result of a specific composition magma being injected into pre-existing host rocks and then crystallising. The magmatic intrusion may cause the host rocks to chemically react with co-emplacement fluids containing rare metals including lithium, caesium and rubidium. Trace amounts of the rare-metals can be detected in the resulting dispersion halo ("metasomatism") a distance away from the mineralised pegmatite body, providing a vector toward the mineralised pegmatite. Normally the extent of the metasomatic halo extends only a few metres from the pegmatite, however the pegmatite belts at Mavis and Raleigh exhibit alteration halos in the order of tens of metres wide, representing some of the broadest and strongest host-rock lithium anomalies recorded.

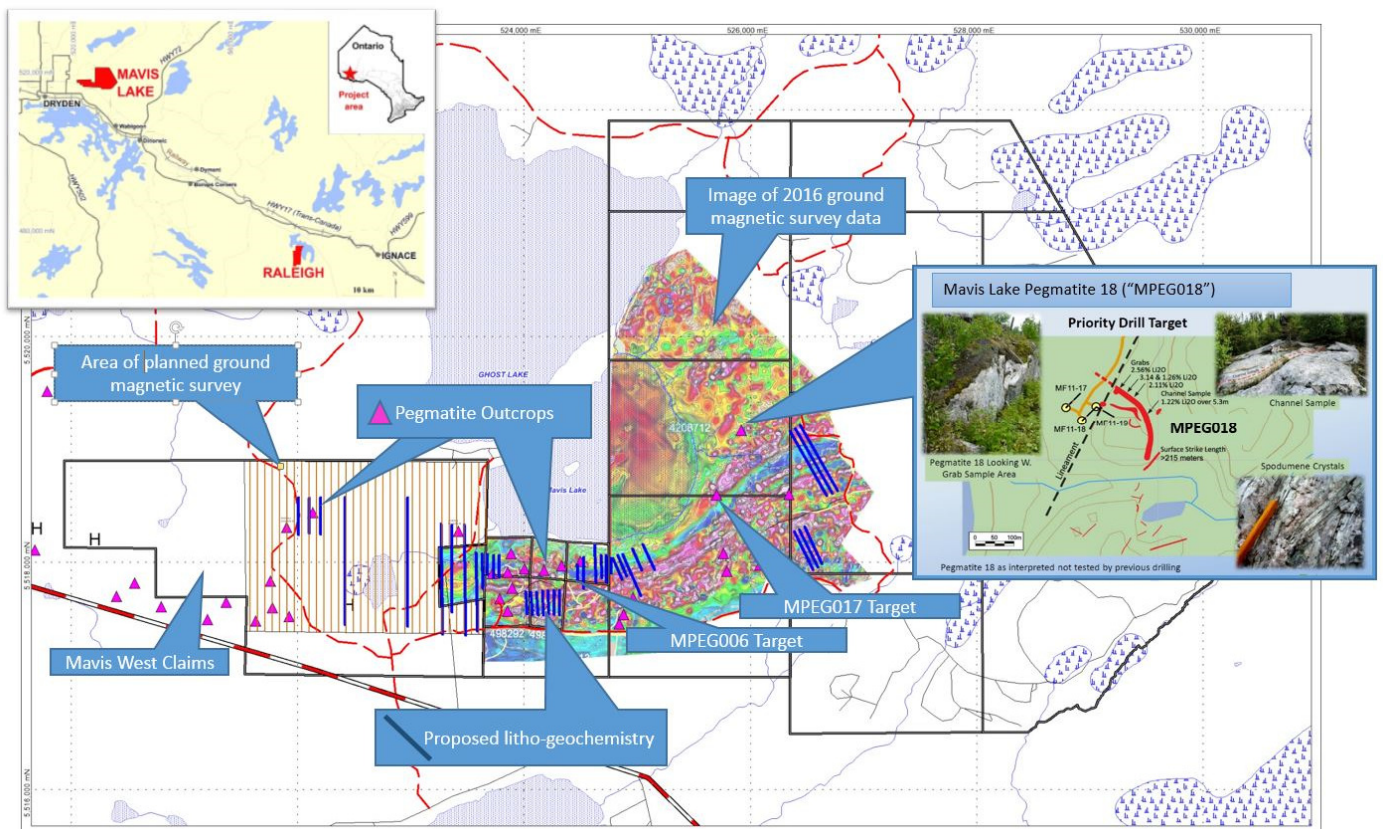


Figure 1: Mavis Lake Project Group - 2016 summary plan. The plan shows the location of the recently staked Mavis West claims, known pegmatites, the extent of planned and completed magnetic surveys and the proposed litho-geochemistry sampling traverses.

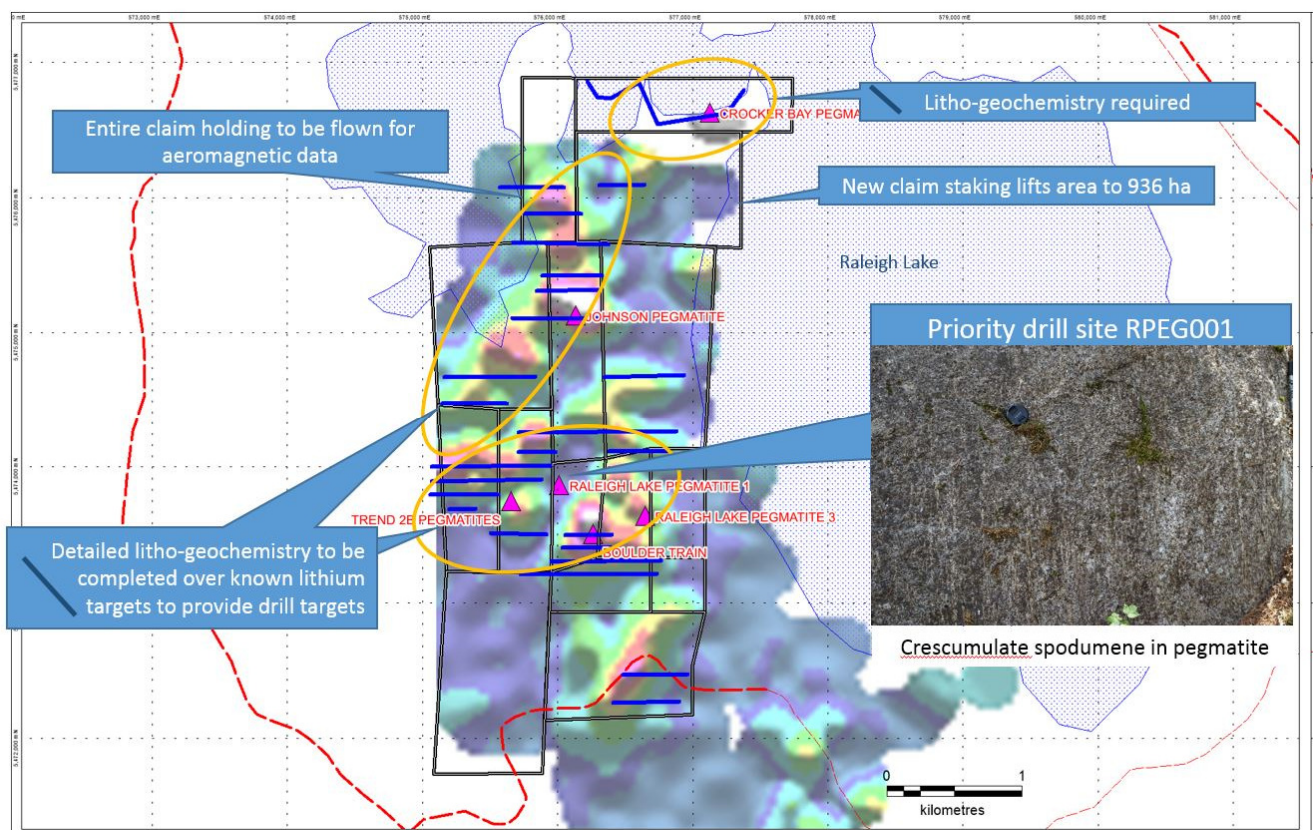


Figure 2: Raleigh Project - 2016 summary plan. The plan shows known pegmatites, Li litho-geochemistry, and the areas where detailed litho-geochemistry will be undertaken. The entire claim block will be covered by an aeromagnetic survey.

About Pioneer Resources Limited

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

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



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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 type 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'. Additional information in respect of soil geochemical data and litho-geochemical interpretations was provided by Dr Nigel Brand. Mr Crook and Dr Brand 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

Elements: "Au" means gold, "Be" beryllium, "Cs" caesium, "Cu" copper, "Ni" nickel, "Ag" silver, "Pb" lead, "Zn" zinc, "Pt" platinum, "Pd" palladium, "Li" Lithium, "Nb" niobium, "Rb" rubidium, "Sb" antimony, "Sn" tin, "Ta" tantalum.

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

"Li₂O" means Lithia, or Lithium Oxide, and is the elemental metal quantity converted to its oxide (in percent (%)), which is a form of reporting used for lithium in scientific literature. The conversion factor for Li to Li₂O is 2.152.

"Pegmatite" is a common plutonic rock of variable texture and coarseness that is composed of interlocking crystals of widely different sizes. They are formed by fractional crystallization of an incompatible element-enriched granitic melt. Several factors control whether or not barren granite will fractionate to produce a fertile granite melt (Černý 1991; Breaks 2003):

- presence of trapped volatiles: fertile granites crystallize from a volatile-rich melt.
- composition of melt: fertile granites are derived from an aluminium-rich melt.
- source of magma: barren granites are usually derived from the partial melting of an igneous source (I-type), whereas fertile granites are derived from partial melting of a peraluminous sedimentary source (S-type).

- degree of partial melting: fertile granites require a high degree of partial melting of the source rock that produced the magma.

Initially, fractional crystallization of a granitic melt will form barren granite consisting of common rock forming minerals such as quartz, potassium feldspar, plagioclase and mica. Because incompatible rare elements, such as Be, Li, Nb, Ta, Cs, B, which do not easily fit into the crystal of these common rock-forming minerals, become increasingly concentrated in the granitic melt as common rock forming minerals continue to crystallize and separate from the melt. LCT pegmatites are a specific group anomalous in lithium, caesium and tantalum ("LCT").

"Spodumene" is a lithium aluminosilicate (pyroxene) found in certain rare-element pegmatites, with the formula $\text{LiAlSi}_2\text{O}_6$. Spodumene is the principal lithium mineral sourced from pegmatites and is the preferred source for high purity lithium products.

"ppm" means 1 part per million by weight.

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

For further information on the reported projects please refer to:

- Raleigh: Refer Company's announcement to ASX dated 13 July 2016.
- Mavis Lake: Refer Company's announcements to ASX dated 15 March 2016, 20 April 2016, 13 July 2016, 26 July 2016.