

DRILLING COMMENCES AT MAVIS LAKE (ONTARIO) LITHIUM PROJECT SPODUMENE PEGMATITE INTERSECTED IN FIRST HOLE

Perth, Western Australia: 07 February, 2017: Pioneer Resources Limited (the "Company" or "Pioneer") (ASX: PIO), in conjunction with its strategic partner International Lithium Corp. ("ILC") (TSX Venture: ILC.V), is pleased to announce it has commenced its maiden drill programme at the Mavis Lake Lithium Project in the province of Ontario, Canada.

Drilling at the Mavis Lake Lithium Project commenced on February 4, 2017, and the Company's geological consultant advises that a spodumene-bearing pegmatite has been intersected early in the first hole – above the drill target depth of 120m. Drilling was postponed in December until now, due to adverse weather conditions.

THE 2017 MAVIS LAKE DRILLING PROGRAMME

The 2017 winter programme will comprise of up to 1,500 metres of oriented diamond core drilling and is designed to test for extensions to known spodumene-bearing pegmatites.

The targets to be drilled are based on drilling by earlier explorers, including ILC in 2011 and 2012, updated with information gained from the Joint Venture's 2016 field work, which included ground magnetometer surveys, mapping and litho-geochemical rock sampling programmes.

DRILLING COMMENCED AT THE KEY PEGMATITE 6 (PEG006) TARGET

Deep drilling completed in 2011 by ILC included the heavily mineralised hole MF-11-12, which returned 16m at 1.53% Li₂O in spodumene from 125m plus a further 26.25m at 1.55% Li₂O from 152m down hole (or approximately 100m vertically below surface). These intersections are interpreted as 'down-dip' from the pegmatite outcrop designated PEG006.

The first drill hole of this 2017 programme, MF-17-39, and other holes are designed to test for extensions to the intersections of spodumene-in MF-11-12 and other nearby holes (see Table 1), up-dip towards the ground surface and outcrop of PEG006.

At the end of the first shift drill hole MF-17-39 had intersected a narrow, approximately 2m wide, spodumene-bearing pegmatite at 48.9m, well above the targeted depth of 120m.

Pegmatite 6.5 will also be drilled. It is a new target located 250m east of pegmatite 6, which was identified during the 2016 field season by its strong litho-geochemical signature.

Highlight drilling intersections at PEG006 from 2011 and 2012 programmes are listed in Table 1:

Table 1: Highlight Drilling Intersections from PEG006.*

- | | |
|---|--|
| • MF-11-12: 16m at 1.53% Li ₂ O from 125m | • MF-11-15: 5.35m at 1.51% Li ₂ O from 78.4m |
| • MF-11-12: 26.25m at 1.55% Li ₂ O from 152m | • MF-12-24: 16.4m at 1.86% Li ₂ O from 161.9m |
| • MF-11-13: 5m at 1.44% Li ₂ O from 19m | • MF-12-25: 5.15m at 1.75% Li ₂ O from 130.7m |
| • MF-11-14: 3m at 2.15% Li ₂ O from 24m | • MF-12-28: 6m at 2.53% Li ₂ O from 6m |

* These are drill core widths which have not been converted into true width. Appropriate rounding of Li₂O values applied.

FIRST DRILL HOLES INTO THE CENTRAL PEGMATITE 18 PEGMATITE

Pegmatite 18 hosts high-grade spodumene, and is evident as a 200m long, arcuate outcrop. Grab samples graded up to 3.14% Li₂O¹ and one composite channel sample returned 1.22% Li₂O² over 5.3m.

Initially, 6 radiating holes are planned from two locations, with additional holes planned based on the results of the earlier holes.

OUTLOOK

Pioneer will update the market about the progress of drilling at Mavis Lake as the programme advances. Drilling is expected to take up to 30 days to complete and assay results are expected to be available by the end of March 2017.

Pioneer also plans to commence drilling at the nearby Raleigh Lithium Project in the near future, and will provide further information on the timing and details of this programme in due course.

ABOUT THE MAVIS LAKE LITHIUM PROJECT

The Mavis Lake Project is situated 19 kilometres east of the town of Dryden, Ontario (see Figure 1: Project Location Map). The Project is ideally situated in close vicinity to the Trans-Canada highway and railway major transportation arteries linking larger cities such as Thunder Bay, Ontario, to the southeast and Winnipeg, Manitoba, to the west.

The current drill programme will be wholly funded by Pioneer as part of its earn-in on the Project (see ASX release dated 15 March, 2016).

The Raleigh Project is situated 61 kilometres southeast of the Mavis Lake Project. A \$1 million budget has been allocated across the Mavis and Raleigh lithium pegmatite projects, which will include a planned total of 3,000m of diamond core drilling split between the projects (See ASX release dated 26 July, 2016).

Yours faithfully



Managing Director

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Figure 1. Location of the Mavis Lake and Raleigh Projects.

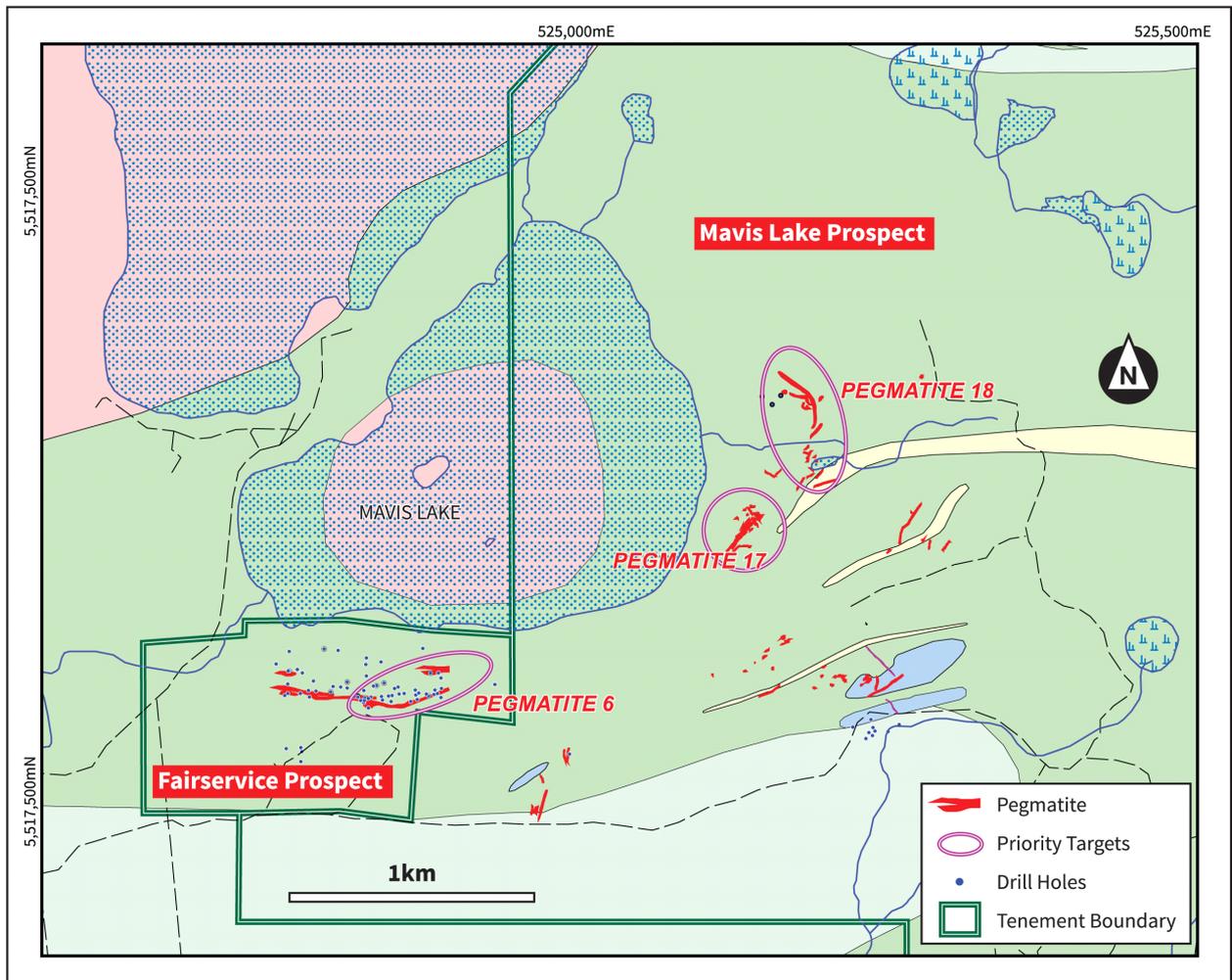


Figure 2. Location of Pegmatite 6 and Pegmatite 18 drilling areas.



Photograph of the Mavis Lake diamond drilling operation: 6 February 2017. The site is MF-17-39 at the Pegmatite 6 target.

About Pioneer Resources Limited

The Company's strategy is to actively explore for key, global demand-driven commodities in highly prospective geological domains, in areas with low geopolitical risk and with established infrastructure. The Company's portfolio includes high quality lithium assets in Canada and WA, plus strategically located gold and nickel projects in mining regions of Western Australia.

In addition to the Mavis Lake and Raleigh Lithium Projects, the Company has been advancing its 100%-owned Pioneer Dome Lithium Caesium Tantalum Project. During 2016 the Company discovered a lens of the high value, high-grade caesium mineral pollucite, which it is advancing to a commercial decision point.

About International Lithium Corp.

International Lithium Corp. is an exploration company with lithium projects in South America and Ireland in addition to the Mavis and Raleigh Projects the subject of this announcement. ILC also has strong management ownership, robust financial support and a strategic partner and keystone investor Ganfeng Lithium Co. Ltd., a leading China based lithium product manufacturer.

With the increasing demand for high tech rechargeable batteries used in vehicle propulsion technologies, energy stabilisation systems and portable electronics, lithium is paramount to tomorrow's "green-tech", sustainable economy. Pioneer and ILC believe that by judicious positioning with high quality projects at an early stage of exploration, the Companies aim to be resource explorers of choice for investors in green tech and build value for its shareholders.

REFERENCES

- Mavis Lake and Raleigh: Refer Company's announcements to ASX dated 15 March 2016, 20 April 2016, 13 July 2016, 26 July 2016, 12 October 2016 and Quarterly Activities Reports
- Notes 1 and 2: Documented in the International Lithium Corp. 2009 Ontario Work Assessment Report and NI43-101 technical report dated February 5th, 2010).

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

GLOSSARY

For descriptions of any technical terms that are not described within the report, the reader is directed to various internet sources such as Wikipedia (www.wikipedia.org) or Mindat (www.mindat.org)

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. Mr Crook is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient experience which is relevant to the exploration processes undertaken to qualify as a Competent Person as defined in the 2012 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Crook consents to the inclusion of the matters presented in the announcement in the form and context in which they appear.

CAUTION REGARDING FORWARD LOOKING INFORMATION

This Announcement may contain forward looking statements concerning the projects owned or being earned in 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.