



27 January 2004

The Company Announcement Officer
Australian Stock Exchange Limited
Post Office Box H224 - Australia Square
Sydney NSW 2000

Dear Sir / Madam

SURFACE EM ANOMALIES AT THE JUBILEE NICKEL PROSPECT

Pioneer Nickel Limited reports the discovery of two surface EM anomalies considered prospective for nickel sulphides at its 100%-owned Jubilee prospect, located 70 kilometres ENE of Kalgoorlie. This follows a 370 station, 17 line-kilometre surface EM survey.

Immediate follow-up exploration programmes are likely to include further EM and RC drilling.

The Jubilee nickel prospect lies within the Acra komatiite belt, 2.5 kilometres NW of Pioneer's Acra disseminated nickel sulphide discovery from which encouraging drilling results were reported earlier this month. The Jubilee prospect has been subject to only limited historical exploration despite the presence of a proven nickel sulphide gossan.

Both EM anomalies at Jubilee are untested by historical shallow drilling undertaken by previous explorers.

Specifically, of the Jubilee anomalies JBC1 & JBC2, Pioneer's consultant, Newexco Services Pty Ltd, notes the following favourable characteristics which can be consistent with characteristics of a massive sulphide

- Both anomalies are related to a steeply-dipping geological contact indicated by surface conductivity conditions
- From Total Magnetic Intensity ("TMI") imagery, the anomalies are located on the basal ultramafic contact
- Both EM anomalies have an exponential decay rate in late-time indicative of their bedrock origin
- Both anomalies are of limited strike-extent (<400 metres), typical for nickel sulphide deposits, and hence are unlikely to be related to changes in regional geology
- High conductance (800S) reported at JBC1

Pioneer views these EM results to be most significant and confirm the high prospectivity of the Acra Komatiite Belt for massive nickel sulphide mineralisation.

Pioneer is also currently completing surface EM surveys at its Acra and Wattle Dam projects.

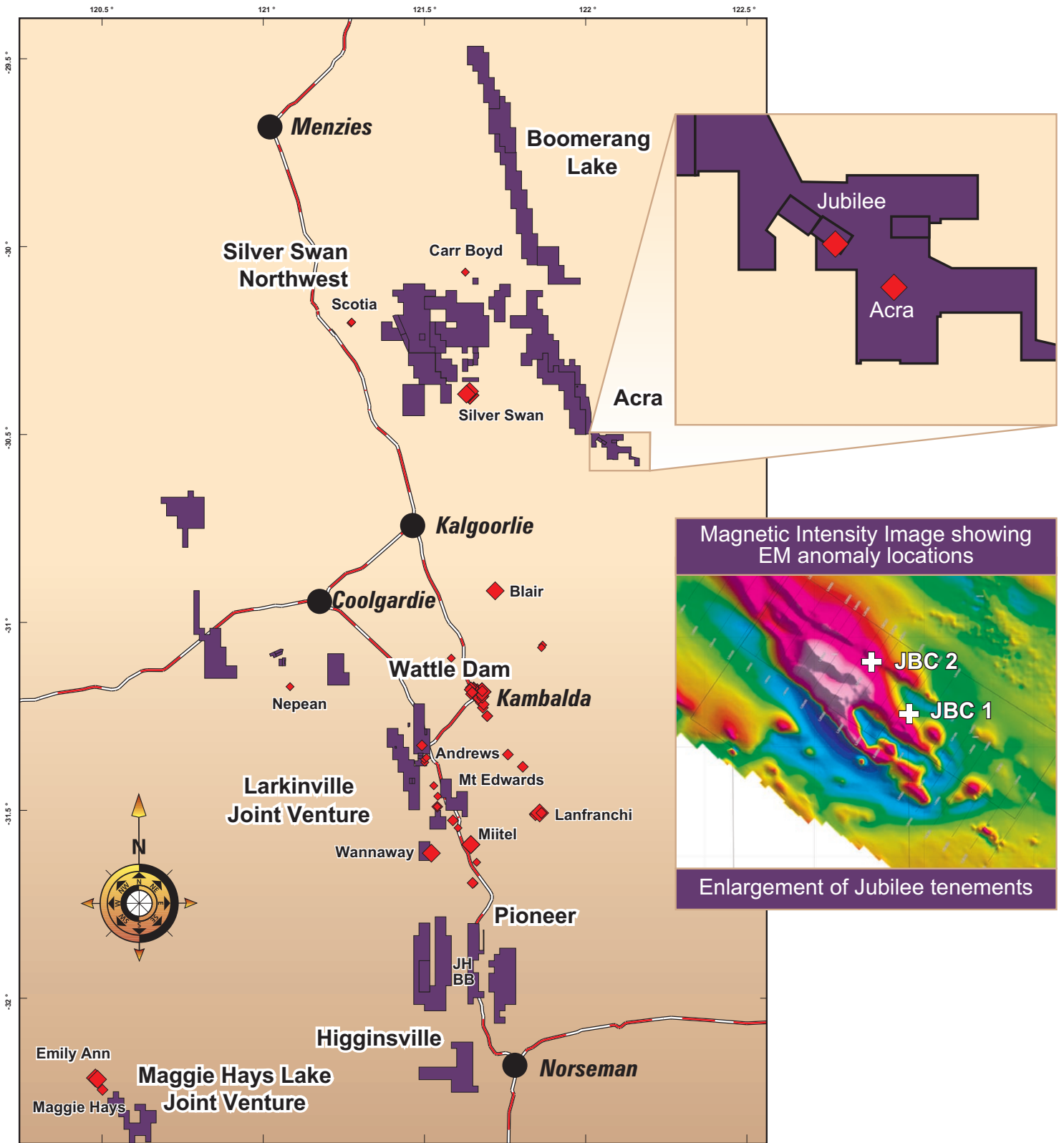
A handwritten signature in black ink, appearing to read "David Crook".

David Crook
Managing Director

Attachment: [Pioneer Nickel Ltd Tenement Portfolio](#) (PDF, 115Kb)

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a member of the Australasian Institute of Mining and Metallurgy and is a competent person with over 20 years experience in the minerals industry, including the activity reported. This person consents to the inclusion of this information in the form and context in which it appears in this report.

Pioneer Nickel Ltd Tenement Portfolio



- Pioneer Tenement
- Town
- Nickel Mine (operational)
- Nickel Mine (suspended)

