26th February 2008

ASX/MEDIA ANNOUNCEMENT

Exploration Update: Gold Projects

Pioneer Nickel Limited (**ASX: PIO, the "Company"**) is please to provide investors with an update for two gold projects where exploration is advancing and excellent results are being generated. These are the ***Larkinville West Project***, where Pioneer holds a free-carried 25% interest and the ***Silver Swan Northwest Project***, which is 100% owned by Pioneer.

These projects represent examples of the Company's commodity diversification or risk mitigation strategies. The Company remains focussed on two key projects, being the Golden Ridge Nickel and the Ravensthorpe Copper-Gold Projects, however maintains a pipeline of other projects; and a portfolio of joint ventures where well regarded partners fully fund exploration on Pioneer's behalf.

- Earlier this week Pioneer's partner for the ***Larkinville West Project***, Ramelius Resources Limited **(ASX: RMS, "Ramelius")** announced results from its second program of reverse circulation ("RC") drilling. These included LWRC0020 which intersected **12m at 2.6g/t** from 30m and LWRC0030, **1m at 20.6g/t** from 115m.

- Second phase RAB drilling is scheduled to resume at Pioneer's new gold discovery within its ***Silver Swan Northwest Project***. Pioneer is set to resume RAB definition drilling to follow up very encouraging first pass results released during January 2008. Geochemical anomalies from RAB drilling, which included **4m at 1.74g/t,** are currently open to the south of the drilling grid.

Larkinville West Project (RMS 75%, Pioneer 25% free carried interest.)

This week Ramelius announced the results of a further 12 RC holes drilled at the Larkinville West Project to test a gold anomaly, identified by earlier RAB drilling, with a strike length of over 700m.

To date 30 RC holes for 2,830 metres have been completed on a drill spacing of approximately 80x20m. Significant results have been compiled in Table 1 below and are shown on Figure 1.

Results include LWRC0003 which intersected **20 metres at 3.1g/t Au** from 30m, LWRC0004, **9 metres at 2.4g/t Au** from 55m and **LWRC0020, 12metres at 2.6g/t Au** from 30m.

RC drilling has now tested approximately half of the RAB anomaly, with a preliminary interpretation showing a supergene gold zone derived from a higher grade, deeper, plunging ore shoot.

Outlook

- Ramelius advises that four RC holes are planned to test fresh rock intercepts; and
- aircore drilling is recommended to infill the supergene zone to a 20x40m grid pattern.

Silver Swan North West Project (PIO 100%)

Pioneer has previously advised that significant advances have been made on a gold discovery at the Silver Swan Northwest Project. Reconnaissance RAB drilling has identified three new gold targets within an overall zone of gold anomalism at least 9km long. RAB drilling results are listed in Table 2 and shown in Figure 2.

Despite its relative proximity to major gold operations at Kanowna Belle 35 km to the southwest and Paddington 25km to the southeast, the location has received little previous exploration activity for gold.

Gold anomalism to date is located entirely within sheared granite. This environment is analogous to the setting of the Federal and Golden Cities Deposits, hosted in the Scotia Granodiorite, 15km to the southwest.

Outlook

- Pioneer will drill 142 RAB holes for the Lignite Prospect with a drill spacing of 100x40m; and
- Five regional traverses to identify additional targets within the broader geochemical anomaly.

Key Projects Outlook

Golden Ridge Joint Venture Project (Pioneer 51%, AUZ 49%)

- All samples from the last round of aircore drilling are in the laboratory. No assays have been received;
- Targeting new prospects continues as new data becomes available.

Ravensthorpe Joint Venture Project (Pioneer 75%, GXY 25%)

- Assays have been received for 5 holes only. Samples for the remaining 16 holes are in the laboratory;

Silver Swan Northwest Nickel Sulphides (Pioneer 100%)

- 3 new MLTEM conductors have been identified;
- These are drill-ready.

ENDS

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I, James Walter Guy:

- I have read and understood the requirements of the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("2004 JORC Code").
- I am a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member of *The Australasian Institute of Mining and Metallurgy*.
- I have reviewed the Report to which this Consent Statement applies.
- I am a full time employee of Pioneer Nickel Limited.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results.

Tables of Results

Table 1 Larkinville West RC Drilling: Significant Results									
Hole ID	**Easting (m)**	**Northing (m)**	**Depth (m)**	**Dip**	**Azimuth**	**From (m)**	**To (m)**	**Interval (m)**	**Au (g/t)**
LWRC0003	354,400	6,523,197	100	-60	90	30	50	20	3.1
		Including				32	36	4	8.2
LWRC0004	354,380	6,523,200	106	-60	90	55	64	9	2.4
LWRC0007	354,340	6,523,300	80	-60	90	40	44	4	1.5
		Including				42	43	1	5.8
LWRC0012	354,460	6,523,120	100	-60	90	34	40	6	3.3
		Including				35	36	1	8.1
LWRC0013	354,440	6,523,120	100	-60	90	60	64	4	2.3
		Including				61	62	1	6.8
LWRC0020	354380	6523240	100	-60	90	30	42	12	2.6
						50	51	1	4.9
LWRC0021	354360	6523240	110	-60	90	63	64	1	7.26
LWRC0023	354450	6523160	70	-60	90	16	23	7	1.9
LWRC0026	354390	6523160	100	-60	90	83	86	3	4.9
		Including				83	84	1	10.6
LWRC027	354500	6523080	70	-60	90	23	23	2	2.2
						28	33	5	1.6
LWRC0030	354440	6523080	119	-60	90	115	116	1	20.6

- *All samples analysed by Genalysis Laboratory Services.*
- *Assay technique was LW200/SA (200g Leachwell Bottle Leach) detection limit 0.01ppm.*
- *Hole positions by GPS pickup in MGA94-51 grid coordinates.*
- *Intercepts are "down-hole" metres. No estimate regarding true thickness is made or implied.*

Table 2 Silver Swan Northwest Project RAB Drilling: Significant Results (>0.5g/t)									
Hole ID	**Easting (m)**	**Northing (m)**	**Depth (m)**	**Dip**	**Azimuth**	**From (m)**	**To (m)**	**Interval (m)**	**Au (g/t)**
SSB0022	349,479	6,654,805	40	-60	270	38	40	2	0.65
SSB0086	350,290	6,653,995	40	-60	270	38	40	2	0.95
SSB0118	351,228	6,651,781	63	-60	270	21	26	5	0.56
						42	46	4	0.99
SSB0127	351,943	6,651,401	36	-60	270	11	15	4	1.74
SSB0293	352,156	6,651,204	62	-60	270	39	43	4	0.54
						53	62	9	0.90
				INC		56	58	2	1.12
SSB0361	351,761	6,651,403	42	-60	270	37	40	3	0.60
SSB0363	351,896	6,651,406	41	-60	270	36	39	3	0.58

- *Hole positions by GPS pickup in MGA94-51 grid coordinates.*
- *Assays were completed by Genalysis Laboratory Services Pty Ltd.*
  - *SSB0001-SSB0160 10g aqua regia digest, AAS finish, 1ppb detection limit.*
  - *Check assays and SSB0161-0365 50g fire assay 0.01g/t detection limit.*
- *Intercepts are "down-hole" metres. No estimate regarding true thickness is made or implied.*

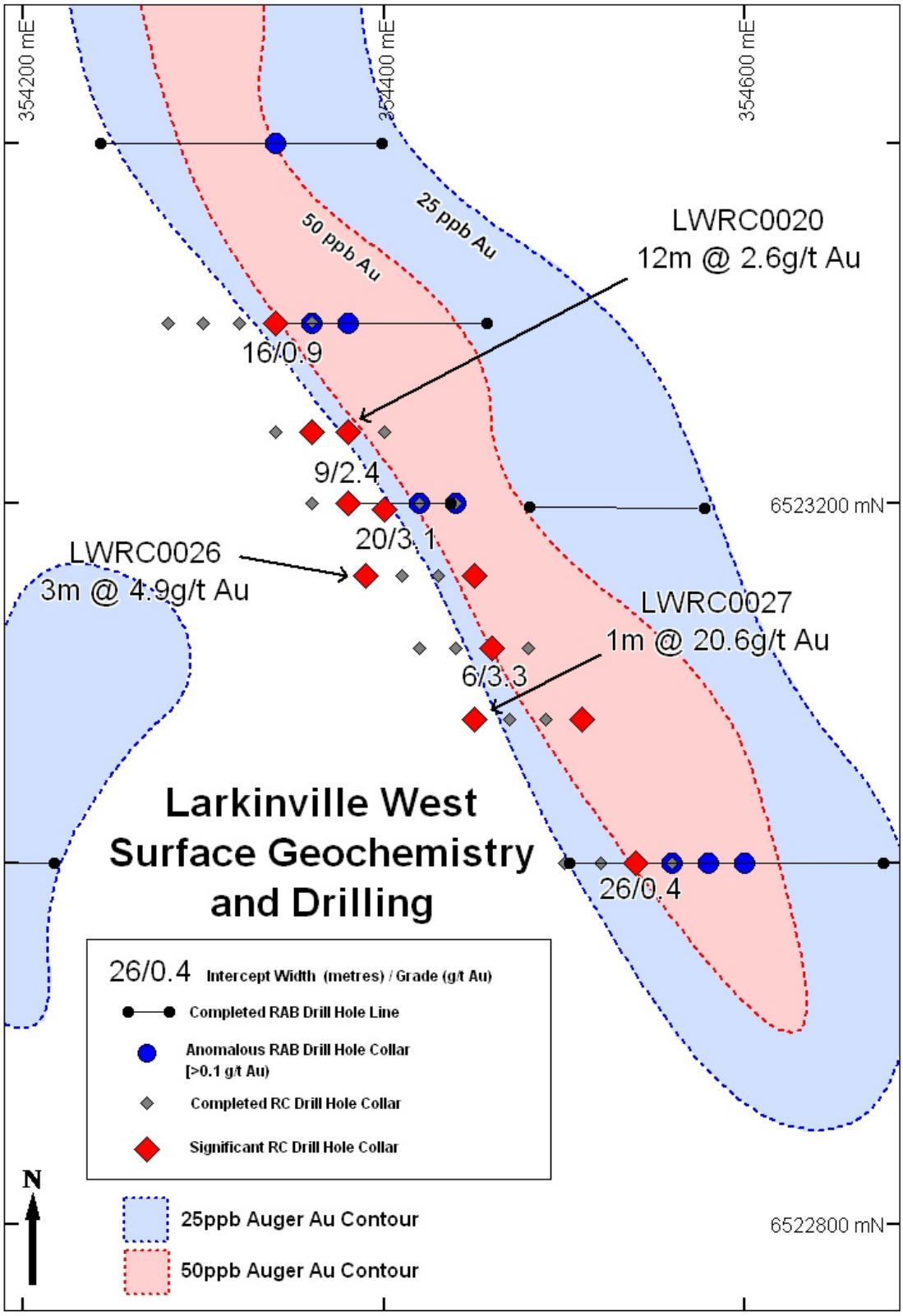

Figure 1. Drilling locations at Larkinville West showing recent significant assays

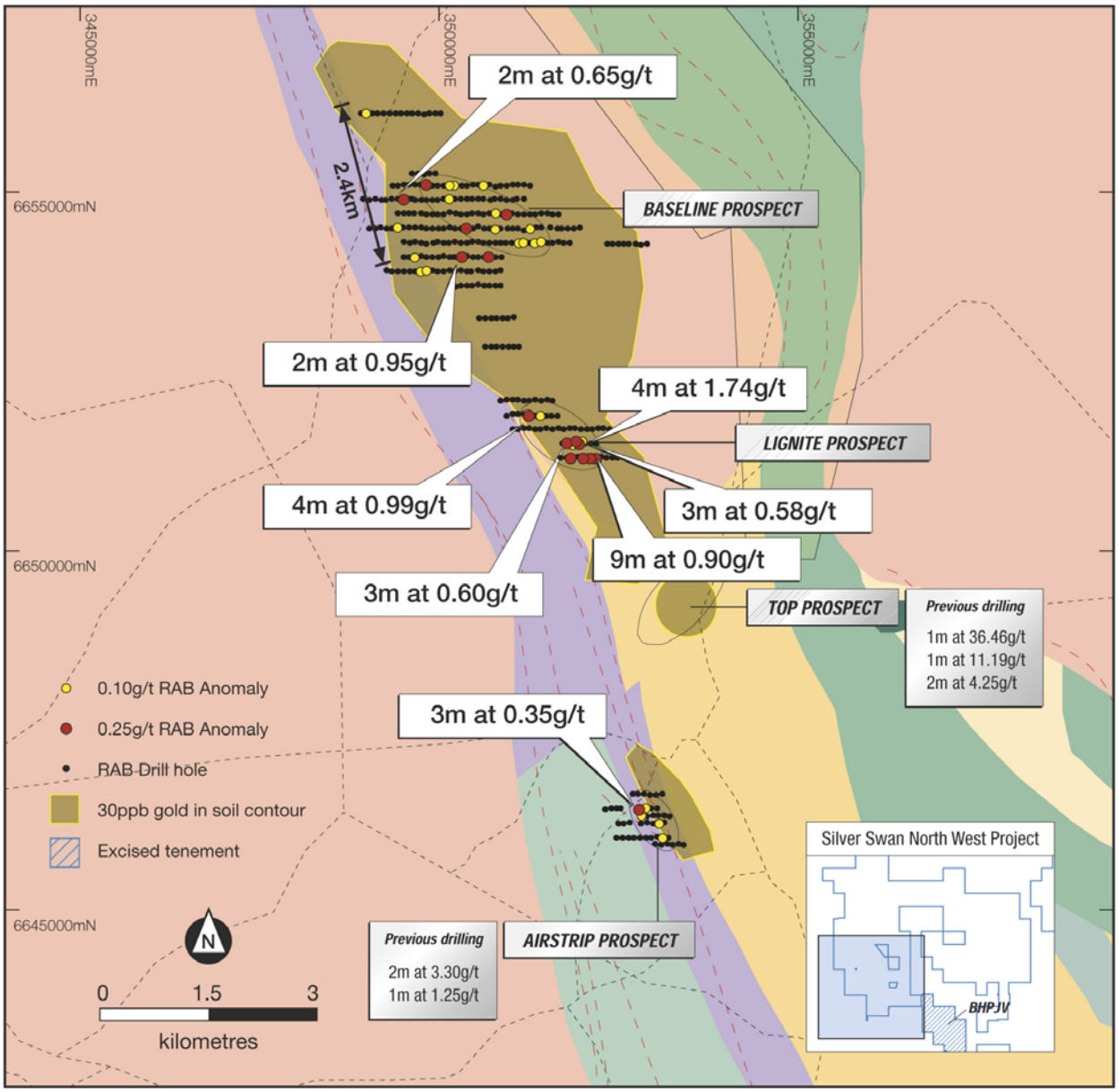

Figure 2. Silver Swan Northwest Project showing the original soil anomaly outline, RAB drill holes colour coded for geochemical result, significant intercepts and the location of the priority targets.