



28 April 2008

## ASX/MEDIA ANNOUNCEMENT

### SUMMARY REPORT FOR RAVENSTHORPE JV PROJECT

**Pioneer Nickel Limited (ASX: PIO)** today provided shareholders with an update on the activities completed at the Company's Ravensthorpe Joint Venture Project with Galaxy Resources Limited (ASX: GXY) (PIO 75%, GXY 25%).

Diamond drilling beneath the old Mt Desmond-Elverdton Copper Mine and fault-offset PLP mine was completed during February 2008. The program comprised 22 drill holes for a total of 5,540m.

Drill holes were designed to intersect mineralisation approximately 100m beneath the historic mine. Holes generally intersected the target as planned, with the exception of DERD020 which had core loss of 3.7m at the ore zone; and DERD014, which was abandoned due to bogged rods (in mineralisation).

#### Results

Final results for reverse circulation ("RC") drill holes PLPR001-009 from the PLP Prospect and pre-collars for DERD013, 014 and 015 have been received. Preliminary assays for all diamond core (Au and Cu only) have been received, with the final results due during May 2008. Remaining RC pre-collar assays have not been received. Drill hole collar data for holes completed from the November 2007-February 2008 program are listed in Table 1.

Significant results received included:

- DERD014 4.1m at 1.16%Cu from 223m
- DERD018\* 16.0m at 1.1% Cu and 1.03g/t Au from 323m
- DERD019 1.4m at 2.7% Cu from 342.6m
- DERD022 2.3m at 2.94% Cu from 445m
- PLP008 4.0m at 2.8% Cu and 1.13 g/t Au from 57m
- PLP009 2.0m at 2.8% Cu and 2.6g/t Au from 41m

*\*reported December 2007quarterly*

The distribution of better results suggests that mineralisation is plunging towards the north, beneath the Mt Desmond Shaft, towards the PLP workings. Significant results are presented as Table 2 and illustrated in Figure 1.

#### Geological Mapping

Pioneer's consulting geologist has completed mapping the Ravensthorpe JV key tenement area. This has also involved re-logging drill core from the FED and Mt Desmond copper prospects, drilled by previous explorers. Approximately 40 core samples were collected for geochemical analysis.

#### Ferrous Metals

Pioneer has previously announced an alliance between four companies with active exploration programs in the Ravensthorpe District, to review its potential for iron ore.

A series of orientation ironstone samples were taken from a line of outcrops within M74/163 and from an old flux quarry within P74/305. The quarry had previously been drilled by GXY but no geochemical or geological data from the drilling is available. Three composite samples were collected from one hole drill hole which ended in granodiorite. An additional three samples were taken of rocks within the quarry.



The ironstone samples taken from the old RC hole have an average grade of 57.8% Fe over a 6m interval with low phosphorus and silica but high sulphur suggesting it is a gossan derived from pyrite.

Assays from the orientation survey, while lower in Fe grade, confirm that the pyrite beds extend through M74/163 and are mappable using Pioneer's detailed VTEM and magnetic imagery. Areas away from the granodiorite intrusion may have potential for haematite-gossan development on a larger scale. Sample locations, descriptions and assays are included in Tables 3 and 4 below.

The Joint Venture is also evaluating a manganese occurrence within M74/163.

#### **Work Planned:**

##### **Desmond Elverdton Drilling**

- Complete geological and structural interpretations for the Mt Desmond-Elverdton deposit using new drill data and mine plans. Review ore shoot control models ahead of future drilling;
- SGC to complete detailed modelling of down-hole MMR data from an orientation survey to determine the source of anomalies before any further surveying is undertaken. Interference from salt water-filled stopes is hampering the interpretation.

##### **Ferrous Metals**

- Locate, map and sample areas of mineralised outcrop in the vicinity of the manganese adit;
- Secure a Clearing Permit and POW ahead of drill testing the manganese and iron prospects;
- Locate records from Galaxy drilling. (6 holes in the vicinity of the Iron Stone quarry.)

Pioneer maintains a steady pipeline of new prospects and targets which are generated and then tested, within the Company's 100%-owned tenement portfolio. A summary of the Company's other activities will be included in the March 2008 Quarterly Activities Report due to be released on 30 April 2008.

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**APPENDIX**

Hole ID	Easting (m)	Northing (m)	Dip	Azimuth	Depth (m)	Hole Type
DERD013	235593.784	6276198.147	-59.8	262.4	152	RCD
DERD014	235614.074	6276157.983	-58.9	269.5	357.2	RCD
DERD015	235245.883	6276398.174	-59.9	93.4	220	RCD
DERD016	235587.254	6276360.36	-60.4	269.4	401.4	RCD
DERD017	235542.868	6276280.544	-60.3	270.6	320.1	RCD
DERD018	235599.241	6276199.785	-60	280	419.2	RCD
DERD019	235628.961	6276118.27	-60.5	264.5	378	RCD
DERD020	235646.548	6276078.965	-59.1	269.6	426.1	RCD
DERD021	235657.191	6276036.418	-60.1	267.4	414.7	RCD
DERD022	235673.856	6275999.98	-59.6	267	467.6	RCD
DERD023	235689.094	6275958.44	-60.3	266.8	552	RCD
DERD024	235622.517	6275583.45	-60.2	273.1	492.3	RCD
PLPR001	235121.045	6276557.579	-59.8	266.2	100	RC
PLPR002	235199.957	6276560.938	-60.5	268	100	RC
PLPR003	235067.553	6276638.762	-59.5	266.4	100	RC
PLPR004	235120.946	6276639.719	-59.5	265.7	100	RC
PLPR005	235198.965	6276639.017	-59	269.3	120	RC
PLPR006	235069.269	6276719.408	-59.6	264.8	95	RC
PLPR007	235119.621	6276720.535	-60.4	270.1	116	RC
PLPR008	235196.852	6276721.541	-59.9	266.7	98	RC
PLPR009	235179.021	6276719.688	-60.2	215.5	110	RC
					5539.6m	

Hole ID	Easting (m)	Northing (m)	Dip	Azimuth	Depth (m)	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
DERD014	235614.1	6276158	-60	270	357	223	227.1	4.1	1.16	0.07
					Inc	223	223.8	0.8	2.72	0.25
					And	226.25	227.1	0.85	2.86	0.08
						356	357.2 EOH	1.2	1.04	0.51
DERD015	2235246	6276158	-60	90	220	22	26	4	0.5	0.78
						121	123	2	0.6	0.07
DERD016	235587.3	6276360	-60	270	401.3	377	378.82	1.82	0.64	0.28
					Inc	385.75	386.1	0.35	1.64	0.79
DERD017	235587.3	6276360	-60	270	320.1	189.45	189.79	0.34	1.07	0.44
						268.65	269.6	0.95	0.78	0.1
						290	291.4	1.4	0.56	0.25
DERD018	235599.2	6276200	-60	270	417.6	323	339	16	1.1	1.03
					Inc	323	325	2	1.12	3.78
					and	329	331	2	2.28	1.1
					and	332	338	6	1.65	1.03
						345	346	1	1.1	0.39
DERD019	235629	6276118	-60	270	378.5	335.05	347	11.95	0.67	0.25
					Inc	342.6	344	1.4	2.7	
DERD020	235646.5	6276076	-60	270	426.1	388.46	390.8	2.34	0.74	
						390.8	394.5	3.7	CORE	LOSS
						396.5	391	4.5	0.71	



Hole ID	Easting (m)	Northing (m)	Dip	Azimuth	Depth (m)	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
DERD021	235657.2	6276036	-60	270	404.5	368	370	2	0.61	0.26
DERD022	235673.9	6276000	-60	270	467	407.6	408	0.4	1.59	0.26
						412.8	413.12	0.32	4.52	0.61
						422	425	3	0.78	0.23
					Inc	423	423.35	0.35	1.94	0.32
					Inc	423.9	424.45	0.55	2.11	0.75
						432	433	1	2.52	0.26
						445	447.3	2.3	2.94	0.66
					Inc	446	446.82	0.82	9.89	2.14
DERD023	235622.5	6275958	-60	270	552	263.8	265.2	1.4	0.65	0.15
						475.8	477.8	2	0.59	0.2
PLP03	235067.6	6276639	-60	270	100	17	18	1	0.98	0.2
PLP07	235119.6	6276721	-60	270	116	81	82	1	0.65	0.49
PLP08	235196.9	6276722	-60	270	98	57	61	4	2.8	1.13
PLP09	235179	6276720	-60	270	110	41	52	11	0.69	0.57
					Inc	41	43	2	2.8	2.6

- Assays were completed Genalysis Laboratories Perth,
  - Preliminary assays: Gold fire assay 50gm charge, copper using a 4 acid digest and AAS finish.
  - Final assays: Base Metal suite 4 acid digest and ICP-AES finish
- Intercepts are "down-hole" metres. No estimate regarding true thickness is made or implied.

Sample ID	Easting (m)	Northing (m)	Tenement	Prospect	Description
ARC41301	235274	6277786	M74/163	orientation	Outcrop 100m south of adit
ARC41302	235244	6277809	M74/163	orientation	Outcrop 100m south of adit
ARC41303	235223	6277826	M74/163	orientation	Outcrop 100m south of adit
ARC41304	233270	6280408	P74/305	Iron-ore	Old RC hole, 6-8m
ARC41305	233270	6280408	P74/305	Iron-ore	Old RC hole, 4-6m
ARC41306	233270	6280408	P74/305	Iron-ore	Old RC hole, 2-4m
ARC41307	233283	6280411	P74/305	Iron-ore	Face sample on Iron-stone cliff
ARC41308	233259	6280418	P74/305	Iron-ore	Face sample on Iron-stone cliff
ARC41309	233256	6280412	P74/305	Iron-ore	Face sample on Iron-stone cliff
ARC41310	233257	6280411	P74/305	Iron-ore	Spoil piled up at base of cliff

	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%0)	TiO <sub>2</sub> (%)	MnO (%)	CaO (%)	P (%)	S (%)	MgO (%)	K <sub>2</sub> O (%)	Na <sub>2</sub> O (%)	LOI (%)
ARC41301	48.63	10.96	8.24	0.376	0.06	0.02	0.054	0.152	0.07	0.013	0.004	10.24
ARC41302	46.23	15.12	8.89	0.299	0.19	0.03	0.019	0.111	0.14	0.017	0.01	9.16
ARC41303	50.44	10.95	6.23	0.22	0.34	0.04	0.023	0.127	0.52	0.016	0.023	9.44
ARC41304	56.77	5.5	1.68	1.484	0.07	-0.01	0.164	0.294	0.16	0.144	0.028	8.96
ARC41305	59.64	3.65	1.36	1.096	0.04	0.02	0.09	0.246	0.12	0.091	0.037	7.69
ARC41306	56.93	4.57	1.83	1.237	0.04	0.02	0.052	0.309	0.36	0.065	0.064	9.76
ARC41307	40.4	21.43	8.33	1.388	0.04	0.02	0.013	0.175	0.21	0.662	0.038	9.74
ARC41308	51.52	8.71	4.68	1.674	0.06	-0.01	0.011	0.27	0.05	0.127	0.031	10.61
ARC41309	51.85	8.53	4.58	1.648	0.06	-0.01	0.011	0.271	0.04	0.124	0.03	10.6
ARC41310	55.99	5.72	2.91	1.037	0.05	0.02	0.025	0.249	0.18	0.045	0.006	9.65

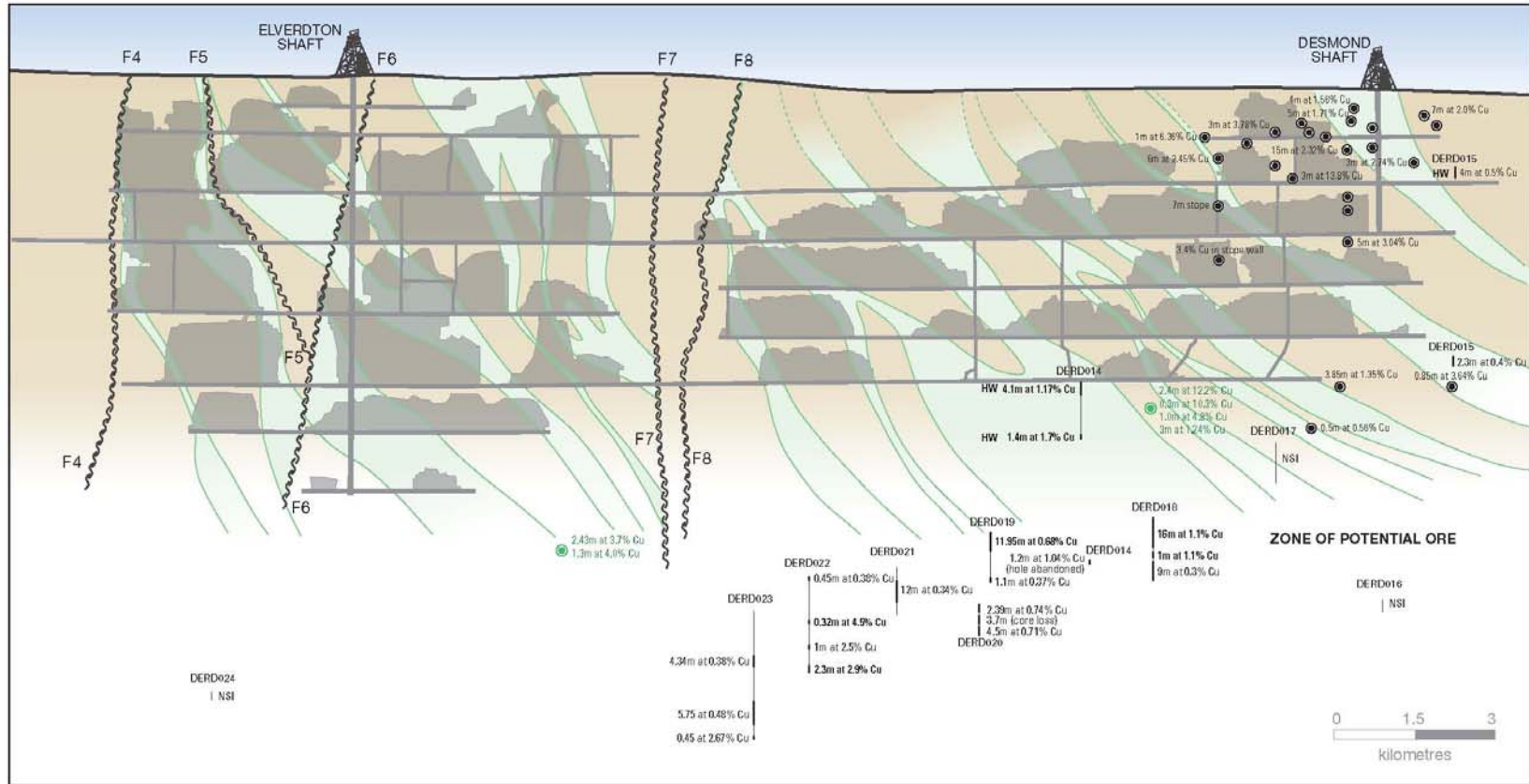
- Assays were completed by Ultratrace Laboratories Perth, Assay technique: XRF.



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- Previously mined
- Mineralised zones
- Shear zones
- First round of drilling
- Historic drill hole
- HW Hanging wall lode
- Second round of drilling
- Zone of alteration
- Significant intersection

