



27 June 2008

ASX/MEDIA ANNOUNCEMENT

ENCOURAGING RESULTS FROM PIONEER'S NICKEL SULPHIDE EXPLORATION

Pioneer Nickel Limited (ASX: PIO) today announced positive updates from two of the Company's active nickel sulphide projects, the Acra Joint Venture and the Golden Ridge Joint Venture.

1 ACRA JOINT VENTURE PROJECT

- *The Acra Project is located approximately 75km NE of Kalgoorlie.*
- *Xstrata Nickel Australasia ("XNA") 60% interest and earning a 75% interest.*

Deep Diamond Drilling at Jubilee West Intersects Nickel Sulphides

XNA has provided Pioneer with important information from drilling at the Jubilee West Prospect:

Geological logging and compilation of assays from JBDD014, drilled in April 2008, has identified:

- 7.55m of stratigraphically-higher (but due to folding, deeper) disseminated nickeliferous sulphides from 561.00m, averaging 0.42% Ni;
- **A 0.1m lens of massive sulphides at 553.72m grading 2.58% Ni at an intact basal contact.**

In Western Australia, massive nickel sulphide deposits are usually found in footwall troughs and thermal erosion channels along the basal contact of ultramafic (komatiite) lava flows.

This is the first time that nickel mineralisation has been intersected at an intact basal contact at the Acra JV Project and is considered by Xstrata to be a "breakthrough." The next round of diamond drilling is being planned for Q4 2008 or Q1 2009 and will work outwards from this location.

2 GOLDEN RIDGE JOINT VENTURE PROJECT

- *The Golden Ridge JV Project is located 34km SE of Kalgoorlie.*
- *Pioneer 51%. Australian Mines Limited (ASX: AUZ) 49% Contributing Interest.*

Platinum-Palladium Geochemistry Confirms Nickel Sulphide Target

Final platinum and palladium ("Pt," "Pd") geochemistry results have been received for the Leo Dam Prospect. The new nickel sulphide target is marked by drill holes that intersected:

- GRA0227 2m at 0.35% Ni, 500ppm Cu and 186ppb Pt+Pd
- GRA0233 **68m at 0.56% Ni, 403ppm Cu and 279ppb Pt+Pd**, located 260m along strike.

The background value for Pt+Pd at Golden Ridge is below 30ppb, which means the Pt+Pd values from GRA0227 and GRA0233 are very strongly anomalous; and a positive indicator that the nickel is derived from nickel sulphides.

Pioneer has now identified four (4) new stand-out nickel sulphide targets at Golden Ridge, where coincident nickel, copper and Pt+Pd anomalism is recognised at the basal contact of komatiite flows. Aircore drilling and SQUID EM surveying is scheduled to test these targets during Q3 2008.



TABLES

Table 1 Acra JV Project: Significant Diamond Drilling Result									
Hole Id	East (m)	North (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Ni (%)	Cu (ppm)
JBDD014	408,783	6,623,319	-68	214.5	553.72	553.82	0.1	2.58	5310
					561.00	568.55	7.55	0.42	473
				Including	561.00	562.50	1.50	0.60	989

- All samples analysed by ALS CHEMEX Services.
- Assay technique was 4 acid digestion, ICP OES finish.
- 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 Golden Ridge JV Project: Significant Aircore Drilling Results										
Hole Id	East (m)	North (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Ni (%)	Cu (ppm)	Pt+Pd (ppb)
GRA0227	378,239	6,581,096	-60	090	51	53	2	0.35	500	186
GRA0233	378,168	6,581,362	-60	090	38	106	68	0.56	403	279
				Including	59	106	47	0.62	327	228

- All samples analysed by Genalysis Laboratory Services.
- Assay technique was 4 acid digestion, ICP OES finish.
- Hole positions by GPS pickup in MGA94-51 grid coordinates.
- Intercepts are "down-hole" metres. No estimate regarding true thickness is made or implied.
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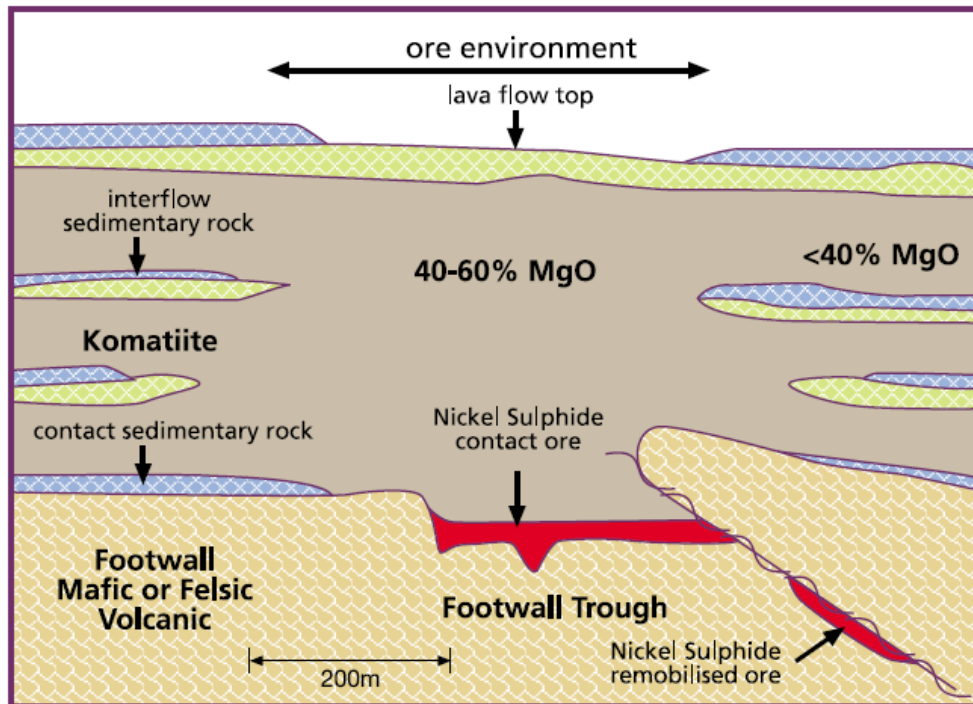


Figure 1: Stylised cross section showing nickel sulphide accumulations in an embayment at the basal contact of a komatiite flow.

-ENDS-



For more information please contact:

David Crook
Pioneer Nickel
Managing Director
(08) 9322 6974
dcrook@pioneernickel.com.au

Ann Nahajski
Porter Novelli
Associate Director
(08) 9386 1233
anahajski@wa.porternovelli.com.au

Web: www.pioneernickel.com.au

About Pioneer Nickel Limited

Pioneer Nickel Limited (ASX: PIO) is a specialist exploration company searching for base metals and gold in the Kalgoorlie and Ravensthorpe Districts of Western Australia. The Company strives to add shareholder value by balancing work on advanced projects with active project generation from within the Company's 100%-owned and joint venture tenement portfolio.

Pioneer's has identified a number of new prospects with gold, nickel, manganese, copper-lead-zinc and cobalt as targeted commodities. Following a recent capital raising, the Company remains well funded and committed to dedicated in-ground exploration.

The nickel market has certainly softened in recent months; however the current price still makes nickel an attractive commodity to discover. Medium-term demand is still projected to be reasonable with nickel supply constraints predicted beyond 2009 and Chinese consumption predicted to continue to outstrip production as far out as 2012.

Pioneer has drill-ready nickel prospects at the Golden Ridge JV, Silver Swan Northwest (Scotia East) and Mt Thirsty (Nickel-Cobalt Laterite) Projects. The Company's joint venture partners are also active at Acra (Xstrata Nickel Australasia) and Wattle Dam (Ramelius Resources Limited) Nickel Projects.

A summary of the Company's planned activities is presented in a fact sheet and other reports available from the Company's web site at www.pioneernickel.com.au

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, including information supplied by Xstrata Nickel Australasia, relating to Exploration Results.

