



3 April 2009

SUCCESSFUL SHARE PURCHASE PLAN CLOSES

Pioneer Nickel Limited (ASX: PIO) announced today that its Share Purchase Plan (SPP) and placement to Directors (approved by Shareholders on 30 March 2009), has now closed, having raised **\$620,000**. This increases the total funds raised since the commencement of the year, from capital raisings and project divestments, to \$1.1 million.

Under the SPP eligible Shareholders were provided with the opportunity to subscribe for between \$500 and \$5,000 worth of Pioneer shares at an issue price of 2 cents per share.

Pioneer's Managing Director, Mr David Crook, said that Shareholders had demonstrated strong support for the Company, with statistics indicating that approximately 21% of those eligible had subscribed for the offer, taking up approximately 77% of the available SPP capacity.

"The Pioneer Directors sincerely thank the Shareholders who participated in the SPP for their on-going support." he said.

The Company is now in final preparation for a drilling program at its Lignum Dam Gold Project.

"Shareholders and other investors, who had recently spoken with the Company, had expressed great interest in Pioneer's gold discovery, which is located approximately 50km north of Kalgoorlie in the Eastern Goldfields of WA." said Mr Crook.

The Lignum Dam Gold Project is hosted entirely within Granodiorite, a geological environment similar to the nearby Golden Cities Mines. Drilling undertaken to date is the relatively shallow rotary air blast (RAB) style, which has identified a 1,200m long geochemical corridor including the Tregurtha and Hughes Prospects. The anomaly is open to the southeast.

Proposed drilling, which is planned to commence during April 2009, includes:

- RAB drilling at the **Hughes Prospect** and additional drilling to extend the SE geochemical corridor towards the **Top Prospect**. In RAB drilling at Lignum Dam, the benchmark for RAB anomalism is 0.25g/t; however intercepts with grades above 1.0g/t indicate high priority results.
- RC resource identification drilling for the **Tregurtha Prospect**. The benchmark of success will be the intersection of grades and widths of gold mineralisation consistent with that mined by open pit methods in Western Australia;

The successful SPP is a component of an on-going capital-raising strategy to maintain funding for in-ground exploration programs. Following the completion of this capital raising Pioneer has 152,108,479 fully paid ordinary shares on issue.

An ASX Appendix 3B is attached.

- ENDS -

About Pioneer Nickel Limited

Pioneer Nickel Limited (ASX: PIO) is a specialist company exploring for gold and base metals 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.

Following the Company's decision to diversify from a purely nickel explorer, Pioneer has identified several new prospects with gold, nickel and manganese targets.

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



Lignum Dam Gold Project – 100% Pioneer

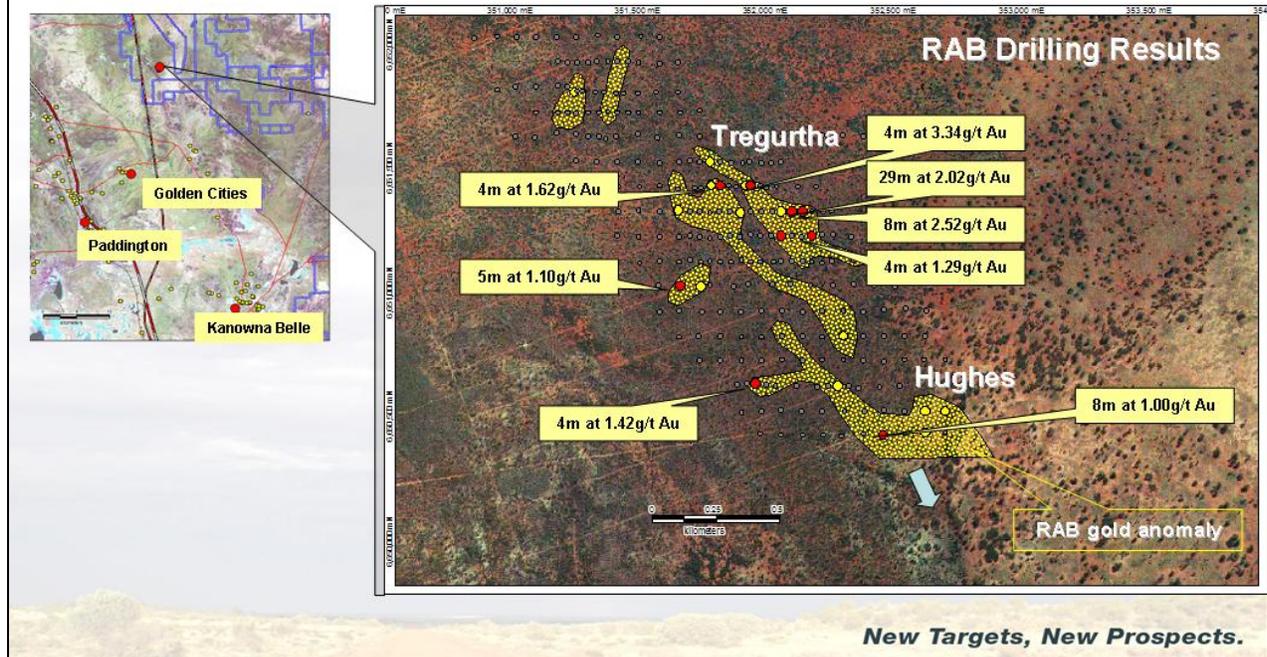


Figure 1: Lignum Dam location and RAB drilling results

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I, David John Crook:

- 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.

