

1 September 2009

## ASX/MEDIA ANNOUNCEMENT

### FURTHER EXCELLENT GOLD RESULTS RETURNED FROM LIGNUM DAM

Remaining reverse circulation drilling samples have returned broad zones of gold mineralisation that included:

#### Tregurtha Prospect

- LDRC014: 4m at 5.03g/t from 36m
- LDRC017: 4m at 4.24g/t from 48m
- LDRC024: 10m at 2.23g/t from 140m, including 2m at 4.07g/t
- LDRC027: 8m at 1.53g/t from 40m
- LDRC027: 10m at 2.35g/t from 87m.

#### Hughes Prospect

- LDRC003: 11m at 2.15g/t from 57m, including 2m at 5.08g/t
- LDRC005: 4m at 12.27g/t from 60m
- LDRC007: 49m at 1.17g/t from 31m, including 4m at 4.78g/t.

Pioneer Resources Limited (ASX: PIO) today announced the results from the remaining 21 reverse circulation drill holes from the inaugural program recently undertaken at the Company's **Lignum Dam Gold Project**. The results of the first 6 RC holes were announced on 20 August 2009. A drill hole summary, which includes all significant results from this round of drilling, is provided in Table 1.

The program successfully demonstrated:

- Potential ore grade gold intercepts exist at the Tregurtha Prospect (where 19 holes were drilled) over a strike length of at least 200m. Mineralisation remains open north and south along strike and down dip (refer to Figure 1);
- In a number of holes, multiple zones of mineralisation were intersected. This requires that 3 holes be deepened immediately; and approximately 400 1m samples, that were previously composited, require assaying;
- Broad zones of mineralisation were also encountered at the Hughes Prospect in two locations; and
- In all, 21 of the 27 holes drilled intersected significant gold mineralisation.

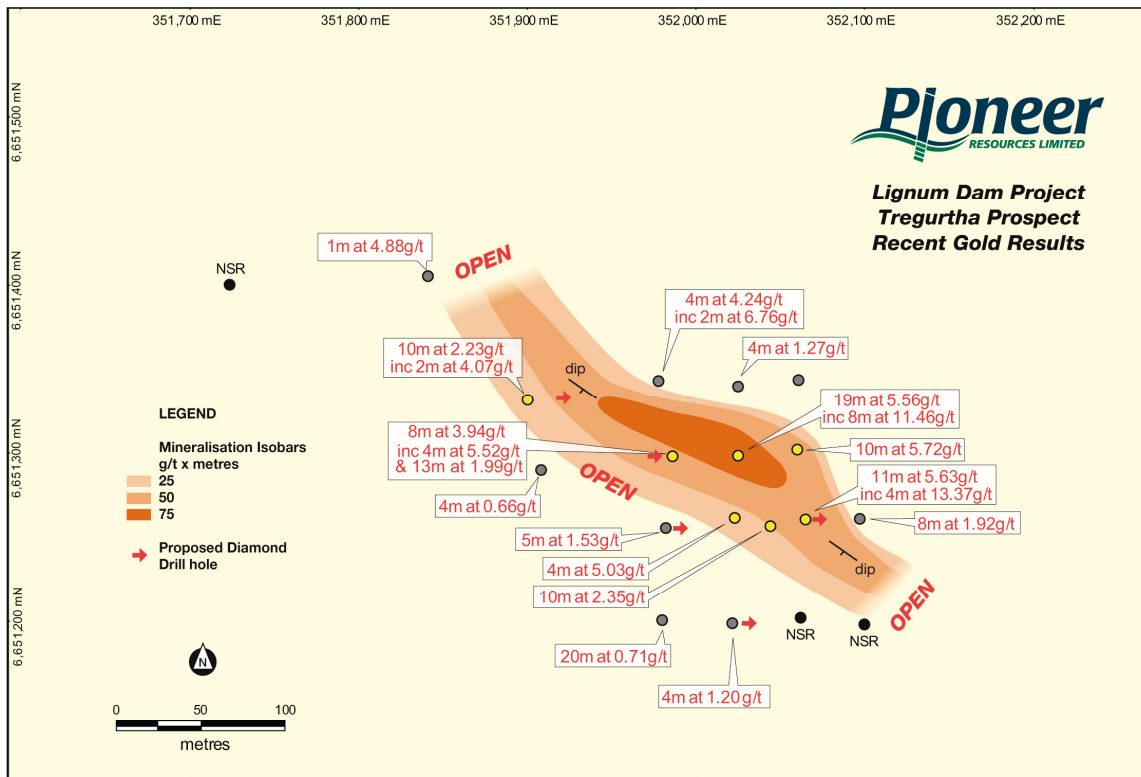
The RC drilling program undertaken amounted to 27 completed holes for 2,611m, designed to test RAB drilling anomalies at the Tregurtha and Hughes Prospects.

Managing Director David Crook said that he was very pleased with the success of the RC drilling campaign which had provided such positive results so early in the drill-out; and that the Company plans to resume drilling shortly.

"Due to having encountered multiple zones of mineralisation, three holes require extending. We also planned to drill two diamond holes for structural analysis, to assist us to optimise our future drilling direction – these objectives will be achieved through the immediate drilling of five diamond core holes," he said.

Following receipt of statutory approvals, the Company plans to embark on a drill-out in October 2009, which will initially see up to 5,000m of RC and diamond core drilling completed. The results are expected to be used in the estimation of an inferred/indicated Mineral Resource, followed by metallurgical test work and the commencement of a scoping study to evaluate the financial viability of the Tregurtha Project. Much of this information is expected to be available before the end of the year.

The Company also plans to complete RC drilling which will target extensions to the gold intersections reported from the Hughes Prospect, and to commence testing other gold targets generated within the Company's 100% held Silver Swan Northwest tenement portfolio.



**Figure 1: Tregurtha Prospect showing drill hole layout and significant gold results.**

### About the Lignum Dam Gold Project

The Lignum Dam Gold Project is a gold discovery located 55km north of Kalgoorlie. RAB drilling was initially used to identify anomalies at the Tregurtha and Hughes Prospects and Pioneer has now completed the first round of deeper RC drilling, confirming the presence of significant gold mineralisation.

Gold mineralisation is located entirely within zones of sheared and altered Granodiorite. This environment is analogous to the setting of the Federal and Golden Cities Deposits, hosted in the Scotia Granodiorite, located 15km to the south-southwest. The Federal and Golden Cities Deposits, owned by Norton Gold Fields Limited, had a pre-mining Mineral Resource exceeding 1,000,000 oz Au and are currently being mined as ore feed for the Paddington Gold Treatment Mill.

### About Pioneer Resources Limited

Pioneer Resources Limited (ASX: PIO) is a specialist exploration company searching 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.

A summary of the Company's activities is presented in a fact sheet and other reports available from the Company's web site at [www.PIOresources.com.au](http://www.PIOresources.com.au).

Yours faithfully



**Managing Director**

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### **Glossary**

"RAB" means Rotary Air Blast, an inexpensive method of exploration drilling which generates geochemical samples.

"RC" means Reverse Circulation, a method of drilling whereby the sample is returned to the surface via a central tube running up the length of the drill pipe. Samples are much less prone to contamination, therefore may be used for ore reserve calculations.

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.

Table 1 Reverse Circulation Drilling From Lignum Dam Gold Project: All Significant Results							
Hole ID	North (m)	East (m)	From (m)	To (m)	Length (m)	Au (g/t)	Note
<b>Hughes Prospect</b>							
LDRC001	6,650,402	352,445	32	36	4	0.64	<sup>1</sup>
LDRC002	6,650,400	352,403	44	56	12	1.06	<sup>2</sup>
<b>LDRC003</b>	<b>6,650,399</b>	<b>352,363</b>	<b>57</b>	<b>68</b>	<b>11</b>	<b>2.15</b>	<sup>2</sup>
LDRC003	including		62	64	2	5.08	<sup>3</sup>
LDRC004	6,650,399	352,324				NSR	<sup>1</sup>
<b>LDRC005</b>	<b>6,650,595</b>	<b>352,802</b>	<b>60</b>	<b>64</b>	<b>4</b>	<b>12.27</b>	<sup>2</sup>
LDRC006	6,650,595	352,759				NSR	<sup>1</sup>
<b>LDRC007</b>	<b>6,650,587</b>	<b>352,721</b>	<b>31</b>	<b>80</b>	<b>49</b>	<b>1.17</b>	<sup>2</sup>
LDRC007	including		36	40	4	4.78	<sup>3</sup>
LDRC008	6,650,602	352,675				NSR	<sup>1</sup>
<b>Tregurtha Prospect</b>							
LDRC009	6,651,201	351,980	60	80	20	0.71	<sup>1</sup>
LDRC010	6,651,199	352,022	48	52	4	1.20	<sup>2</sup>
LDRC011	6,651,202	352,062				NSR	<sup>1</sup>
LDRC012	6,651,198	352,100				NSR	<sup>1</sup>
LDRC013	6,651,256	351,982	97	102	5	1.53	<sup>2</sup>
<b>LDRC014</b>	<b>6,651,262</b>	<b>352,023</b>	<b>36</b>	<b>40</b>	<b>4</b>	<b>5.03</b>	<sup>2</sup>
LDRC014	and		66	68	2	2.80	<sup>2</sup>
<b>LDRC015</b>	<b>6,651,261</b>	<b>352,065</b>	<b>40</b>	<b>51</b>	<b>11</b>	<b>5.63</b>	<sup>2</sup>
LDRC015	including		44	48	4	13.37	<sup>3</sup>
LDRC016	6,651,261	352,097	40	44	4	1.04	<sup>2</sup>
LDRC016	and		52	60	8	1.92	<sup>2</sup>
LDRC016	and		66	69	3	2.99	<sup>2</sup>
<b>LDRC017</b>	<b>6,651,343</b>	<b>351,978</b>	<b>48</b>	<b>52</b>	<b>4</b>	<b>4.24</b>	<sup>2</sup>
LDRC017	including		49	51	2	6.76	<sup>3</sup>
LDRC017	and		82	84	2	1.85	<sup>2</sup>
LDRC018	6,651,340	352,025	38	42	4	1.27	<sup>2</sup>
LDRC019	6,651,344	352,061	48	52	4	0.81	<sup>1</sup>
<b>LDRC020</b>	<b>6,651,302</b>	<b>352,060</b>	<b>34</b>	<b>44</b>	<b>10</b>	<b>5.72</b>	<sup>2</sup>
LDRC021	6,651,299	352,025	32	40	8	1.31	<sup>2</sup>
<b>LDRC021</b>	<b>and</b>		<b>52</b>	<b>71</b>	<b>19</b>	<b>5.56</b>	<sup>2</sup>
LDRC021	including		60	68	8	11.46	<sup>3</sup>
LDRC021	and		80	84	4	1.86	<sup>2</sup>
<b>LDRC022</b>	<b>6,651,298</b>	<b>351,986</b>	<b>44</b>	<b>52</b>	<b>8</b>	<b>3.94</b>	<sup>2</sup>
LDRC022	including		44	48	4	5.52	<sup>3</sup>
<b>LDRC022</b>	<b>and</b>		<b>76</b>	<b>89</b>	<b>13</b>	<b>1.99</b>	<sup>2</sup>
LDRC022	and		114	118	4	1.63	<sup>2</sup>
LDRC023	6,651,290	351,908	155	159	4	0.66	<sup>1</sup>
<b>LDRC024</b>	<b>6,651,332</b>	<b>351,901</b>	<b>140</b>	<b>150</b>	<b>10</b>	<b>2.23</b>	<sup>2</sup>
LDRC024	including		140	142	2	4.07	<sup>3</sup>
LDRC025	6,651,405	351,841	75	76	1	4.88	
LDRC026	6,651,400	351,724				NSR	<sup>1</sup>
LDRC027	6,651,257	352,044	40	48	8	1.53	<sup>2</sup>
LDRC027	and		64	68	4	1.63	<sup>2</sup>
<b>LDRC027</b>	<b>and</b>		<b>87</b>	<b>97</b>	<b>10</b>	<b>2.35</b>	<sup>2</sup>

**Notes**

- Drill hole collar positions determined by hand held GPS receiver MGDA94-51 datum.
- Analytical results by Genalysis Laboratories Pty Ltd: 50g Fire Assay 0.01g/t lower detection limit.
- Intersection grade is generally based on single metre samples. Length weighted average grade reported.
- Intercepts are “down-hole” metres. No estimate regarding true thickness is made or implied.
- NSR: No significant Result.
- <sup>1</sup> reported drill hole intercept based on a minimum of 4m grading above 0.5g/t
- <sup>2</sup> reported drill hole intercept based on a minimum of 2m grading above 1.0g/t
- <sup>3</sup> reported drill hole intercept based on a minimum of 2m grading above 3.0g/t