11 December 2009

ASX/MEDIA ANNOUNCEMENT

Pioneer increases stake in the Mt Chester Manganese Project

Pioneer Resources Limited (ASX: PIO) today announced that it has acquired the outstanding 25% participating interest in the Ravensthorpe Joint Venture from its partner, Galaxy Resources Limited and now holds a 100%, unencumbered interest in the project. The residual interest was acquired for $75,000.

Pioneer has most recently at the Ravensthorpe Project been evaluating manganese potential.

**About the Mt Chester Manganese Project**

The Mt Chester Manganese Prospect is located within granted mining lease M74/163, approximately 9km from Ravensthorpe, Western Australia and 180km from the Port of Esperance.

Field work has located indications of manganese mineralisation in outcrop over 500m of strike length where rock samples assayed in the range of 25-49% Mn. This mineralised horizon was originally accessed by an adit prior to 1909. Metana Metals NL (1989) reported that channel sampling within the adit had returned 15m at 17.7% Mn.

In addition, manganese soil geochemistry indicates potential for extensions or other occurrences in several locations.

Pioneer considers that the Mt Chester Manganese Project has the potential to provide high-grade manganese ore and notes the favourable proximity to the deep water Port of Esperance, a strategic advantage should exploration prove successful.

Yours faithfully
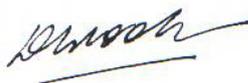
Managing Director

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a full time employee of Pioneer Resources Limited, a member of The Australasian Institute of Mining and Metallurgy (member 105893) and is 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. This person consents to the inclusion of this information in the form and context in which it appears in this report.

www.PIOresources.com.au