

1 June 2011

ASX/Media Announcement

## Pioneer to resume drilling at Mt Jewell Gold Project in lead up to maiden resource estimate

Pioneer Resources (ASX:PIO) is pleased to announce that it will resume drilling on Tuesday next week at its Mt Jewell Gold Project in WA, as its strategy to establish an economic resource continues to develop.

The drilling will continue to focus on the Tregurtha and Hughes gold deposits at Mt Jewell, which both returned high-grade intersections from recent resource extension drilling.

The impending drilling program will take place as Pioneer prepares the maiden resource calculation for Mt Jewell. The initial resource figure will be the first stage in the Company's plan to establish a 500,000oz-plus inventory which is capable of underpinning a 75,000oz-a-year project with a seven-year mine life.

Key results from drilling completed earlier this year included\*:

**Tregurtha:**

- LDRC138: 20m at 4.97g/t Au from 45m
- LDRC146: 38m at 2.36g/t Au from 70m
- LDRC148A: 7m at 4.84g/t Au from 137m.
- LDRC149: 9m at 3.73g/t Au from 52m.

**Hughes and Hughes West:**

- LDRC129: 10m at 3.33g/t Au from 52m.
- LDRC171: 9m at 8.60 g/t Au from 34m
- LDRC112: 15m at 3.00g/t Au from 103m.

**Airstrip**

- LDRC152: 11m at 6.11g/t Au from 72m

(\* see ASX release/Quarterly Activities Report dated 29 April 2011)

As well as infill and resource extension drilling at Hughes and Tregurtha, the next round of drilling will test for continuity between key sections, including 200m of strike length between Hughes and Hughes West, where Pioneer believes there is significant potential to increase the size of the known deposit.

Pioneer Managing Director David Crook said the Company had already completed 7,000m of RC drilling this year and expected to finalise the maiden Mineral Resource estimate for Mt Jewell in the June Quarter.

"Our confidence in the Mt Jewell project is being vindicated by the recent results, which support our belief that it has the potential to host a significant gold project," Mr Crook said.

“Ongoing drilling will focus on targets which we believe will contribute to the resource base needed to underpin such a project” he said.

Pioneer reported the first RC drilling results from Mt Jewell in September 2009 and the project has since become the Company’s top priority. It expects that approximately 85 per cent of its 2011 budget will be spent at Mt Jewell, infilling and expanding known mineralisation as well as targeting new discoveries.

Mt Jewell benefits from established infrastructure, being close to the mining centre of Kalgoorlie, with access via sealed road, and gas, rail and electricity nearby. A number of major gold mines also operate in the area, including Paddington, Kanowna Belle and the Kalgoorlie Superpit.

Yours faithfully



**Managing Director**

**For more information please contact:**

David Crook Managing Director (08) 9322 6974 <a href="mailto:dcrook@PIOresources.com.au">dcrook@PIOresources.com.au</a> <a href="http://www.PIOresources.com.au">www.PIOresources.com.au</a>	Paul Armstrong Read Corporate (08) 9388-1474 <a href="mailto:paul@readcorporate.com.au">paul@readcorporate.com.au</a>
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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.

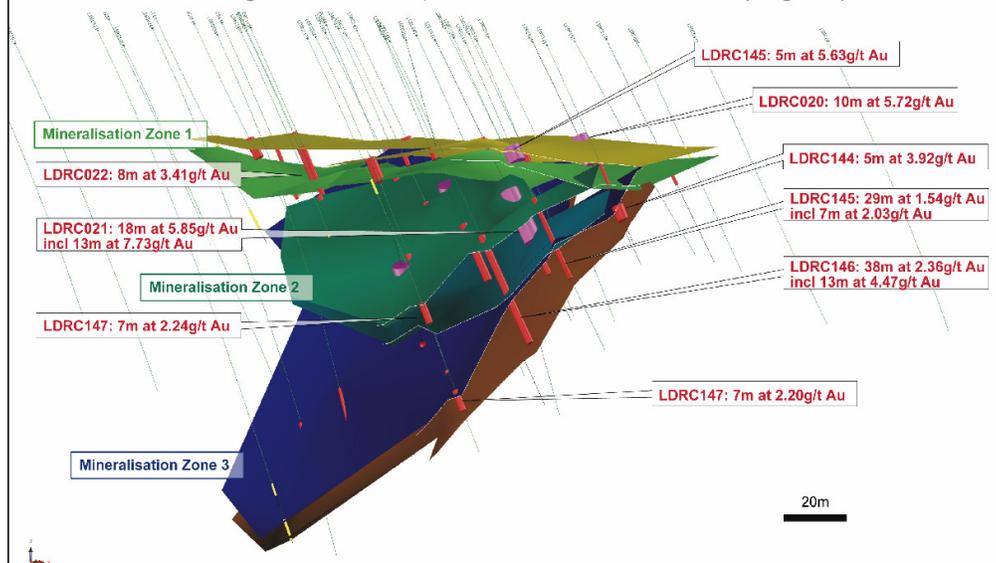
### **About Pioneer Resources Limited**

*Pioneer Resources Limited (ASX: PIO) is a specialist exploration company searching for gold and base metals in the Kalgoorlie District of Western Australia. The Company strives to create shareholder value by combining 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).*

### Tregurtha Prospect

“Cut-Away” Cross section at 6651280mN looking North East  
Showing drill hole intercepts and mineralisation surfaces (0.5g/t Au)



### Hughes Prospect

“Cut-Away” Cross section at 6650520mN looking North West  
Showing drill hole intercepts and mineralisation surfaces (0.5g/t Au)

