

1 November 2011

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Company Announcements Office  
ASX Limited  
4<sup>th</sup> Floor  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**PLACEMENT COMPLETED RAISING \$1.5 MILLION AND  
SHARE PURCHASE PLAN OFFERED ON IDENTICAL TERMS**

The Board of Pioneer Resources Limited (**ASX: PIO**) today announced a two part program of capital raisings.

Part one, completed today, was a placement of 60,000,000 shares at 2.5 cents per share to sophisticated investors and professional clients of Lead Manager Fat Prophets Pty Ltd, which raised \$1,500,000 before costs. The placement was oversubscribed.

Part two is a **Share Purchase Plan ("SPP")** to raise \$1,000,000 under which eligible existing Shareholders in the Company may acquire up to \$15,000 (up to 600,000) of ordinary shares also at 2.5 cents per share, without any additional brokerage charges.

Funds raised will be used to continue exploration and feasibility activities for the Company's flagship Mt Jewell Gold Project, inaugural drilling programs for the new Juglah Dome Gold Project and provide funds for other targets that may produce the next significant gold discovery. In addition the Company is very actively looking at other precious metal projects which it may consider to acquire.

The next phase of drilling will include diamond core holes at the Tregurtha and Hughes Deposits to provide information and samples for geotechnical and metallurgical studies. Drilling, using RAB drilling equipment,\*<sup>1</sup> has recently commenced at the Juglah Dome Project – John West Tree, Alma and Axe Patch anomalies and, following the successful completion of these capital initiatives, drilling programs will be expanded. Funds will be allocated to commence definition drilling (using RC drilling equipment\*<sup>2</sup>) for the March quarter of 2012 as warranted, and will also provide working capital.

Pioneer holds a very large tenement package in one of Australia's premier gold belts, with over 1,500km<sup>2</sup> within an 85km radius of the city of Kalgoorlie-Boulder.

This SPP will provide all eligible Pioneer Shareholders registered on Monday 31 October 2011, irrespective of the size of their holding, with a facility to subscribe for between **\$750 and \$15,000** worth of Pioneer shares.

Eligible Shareholders registered in Australia and New Zealand may acquire up to **600,000 ordinary shares** at the **issue price of 2.5 cents** per share. This price represents a substantial 17% discount to the 5 day (prior to and including 27 October 2011) volume weighted average closing market price, with no brokerage or other transaction costs.

The offer is non-renounceable and will open on Wednesday 9<sup>th</sup> November 2011. Applications will close on 30<sup>th</sup> November 2011, however Directors reserve the right to close the SPP early.

Should the offer be oversubscribed, the Directors reserve the right to accept over subscriptions of up to \$500,000. All applications will be accepted and shares allocated at the discretion of Directors, but acceptances will favour applications received in date order.

Participation in the SPP is optional. The Directors of Pioneer intend to subscribe for shares under the SPP.

The Company is not in possession of any information of the kind that would be required to be disclosed under subsection 713(5) of the Corporations Act if a prospectus were to be issued in reliance on section 713 of the Corporations Act relating to the offer of these securities.

The timetable\*<sup>3</sup> for the implementation of the SPP is as follows:

<b>Event</b>	<b>Date</b>
Record Date for eligible shareholders	Monday 31 October 2011
Dispatch SPP offer to eligible shareholders	Tuesday 8 November 2011
Share Purchase Plan opens	Wednesday 9 November 2011
Share Purchase Plan closes	Wednesday 30 November 2011
Issue and allot shares	Monday 5 December 2011
Apply to ASX for quotation of SPP shares	Monday 5 December 2011

Yours faithfully

**PIONEER RESOURCES LIMITED**



David Crook  
**Managing Director**

***Further information about Pioneer and the Mt Jewell Gold Project, including video presentations, can be obtained from Pioneer's web site or by following the link below:***

<http://www.pioneerresources.com.au>

\*<sup>1</sup>"RAB" means rotary air blast, a cost-effective drilling technique used to geochemically sample weathered rock.

\*<sup>2</sup>"RC" means reverse circulation, a drilling technique that is used to return uncontaminated pulverised rock samples through a central annulus inside the drill pipes. RC samples can be used in industry-standard Mineral Resource statements.

\*<sup>3</sup> These dates are indicative only. The Company may vary the dates and times of the SPP offer without notice.