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## ASX/Media Announcement

# Agreement to Acquire Remaining Interest in the Golden Ridge Gold and Nickel Project

- Acquisition delivers all gold and remaining nickel interests in the Golden Ridge Project to Pioneer (now 100%).
- The Golden Ridge Project, which covers 120 km<sup>2</sup> in total, contains advanced, highly prospective gold and nickel targets as well as the Blair Nickel Mine (non-operational).
- Total acquisition consideration is \$700,000 cash. Pioneer will also replace existing performance bonds with a value of \$207,000 and assume an existing gold royalty.
- Pioneer remains focused on gold discovery and has no current intention to re-open the Blair Nickel Mine. Wholly controlling the nickel interests will allow Pioneer greater flexibility to attract potential joint venture partners.

Pioneer Resources Limited ("Pioneer" or the "Company" (ASX: PIO)) is pleased to announce that it has reached agreement with Blair Nickel Mine Pty Ltd, a wholly-owned subsidiary of Australian Mines Limited (ASX: AUZ), to acquire all of the interests of the Golden Ridge Project not already held by Pioneer.

The Golden Ridge Project, which is located 28km southeast of Kalgoorlie and 30km north of Kambalda, provides a portfolio of advanced gold and nickel sulphide targets, many with mineralised drill holes that are ready for follow-up drilling. The project is 120km<sup>2</sup> in area and, more importantly, includes 82km<sup>2</sup> of granted mining leases.

The agreement is subject only to the satisfaction of certain conditions precedent, being any necessary relevant third party consents, execution of required deeds of covenant and statutory or regulatory approvals.

### Funded and focussed

Pioneer Resources Managing Director, Mr David Crook, said, "With the recent sale of the Western Mt Jewell Project for \$8 million now completed, Pioneer is keen to consolidate its regional position within this highly prospective area of the Eastern Goldfields of Western Australia.

"The Company's immediate objective is to replace the gold resources recently sold, and Pioneer's geologists believe that the Golden Ridge Project has the potential to do this and more.

“The Company is now focussed, funded and active, and looks forward to providing the market with steady news flow in the near term and on an ongoing basis,” Mr Crook said.

## Background to the Golden Ridge Project

### Highly prospective and underexplored for gold due to historic focus on nickel

The Golden Ridge Project is located within one of Australia’s most productive terrains in terms of gold and nickel production. The project (previously the North Kambalda Nickel Project) was identified as prospective for gold and nickel by a succession of major international companies.

### Gold targets

The Golden Ridge Project is close in proximity to a number of Kalgoorlie’s major gold deposits – including the Superpit (18km northwest), New Celebration (8km southwest), Golden Ridge (2.5km north) and Daisy Milano (25km east).

Modern gold exploration was undertaken by WMC Resources Limited (“WMC”) during the 1990s and limited follow-up work was completed by AUZ during the 2000s. Historical programs produced a number of very encouraging gold prospects.

Prospects included the Flying Squirrel-Duplex Hill South Trend, Goldstar, Trident, Goat-18 Footer Trend, Zenith and Flying Ant Prospects as priority targets, represented by RAB drill and in some cases RC drill holes that have intersected strongly anomalous gold.

A selection of results included:

Prospect	Hole ID	East	North	Intercept
Flying Ant	GOC0259	374,022	6,582,808	5m at 5.44g/t Au from 58m
Flying Ant	GOC0278	373,999	6,582,902	5m at 3.93 g/t Au from 72m
Flying Ant	GOC0288	374,047	6,582,794	13m at 3.34 g/t Au from 67m
Flying Squirrel	GOC0274	379,852	6,574,643	3m at 10.43 g/t Au from 7m
Goat	GOC0276	374,419	6,583,330	6m at 3.04 g/t Au from 54m

Source: Database provided by AUZ referencing historical WMC drilling. No independent validation of data has been carried out. Tabulated holes are reverse circulation holes. Coordinates are converted to GDA94-51 grid.

### Nickel history

Exploration was initiated during the nickel boom by AMAX in joint ventures initially with Conwest and then Anglo American between 1969 and 1975. During this time the “Locality 2” nickel prospect (now Blair Nickel Mine) was identified.

WMC acquired tenements thereafter and identified a number of areas with nickel sulphide mineralisation. Follow-up drilling resulted in the delineation of the Blair Nickel Mine which began production in 1990. Blair is a nickel sulphide deposit similar in geological characteristics to the Kambalda nickel field.

Following mining by WMC, the Blair Nickel Mine was operated by McMahon Underground between early 2000 and late 2001.

The vendor, AUZ, acquired the Blair Nickel Mine in 2003 and mining continued between early 2004 and December 2008 when the mine closed due to the prevailing low nickel price. Total mine production is recorded as 32,900 tonnes of contained nickel, which was treated at Kambalda, located 30km south of the project.

Mineralisation is known to extend below the Blair Nickel Mine and nickel sulphides have also been intersected in drilling at Marshall, Blair South, Duplex Hill and Anomalies 11 and 14 Prospects.


The Company has no plans to reopen the Blair Nickel Mine at present.

### **About Pioneer Resources Limited**

Pioneer Resources Limited 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.

Released by :	Further information:
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Yours faithfully



**David Crook**  
**Managing Director**

# Golden Ridge Project

100% Pioneer

Gold in RC intercepts:

### Flying Ant

- GOC0259 - 5m at 5.44g/t Au from 58m
- GOC0278 - 5m at 3.93 g/t Au from 72m
- GOC0288 - 13m at 3.34 g/t Au from 67m

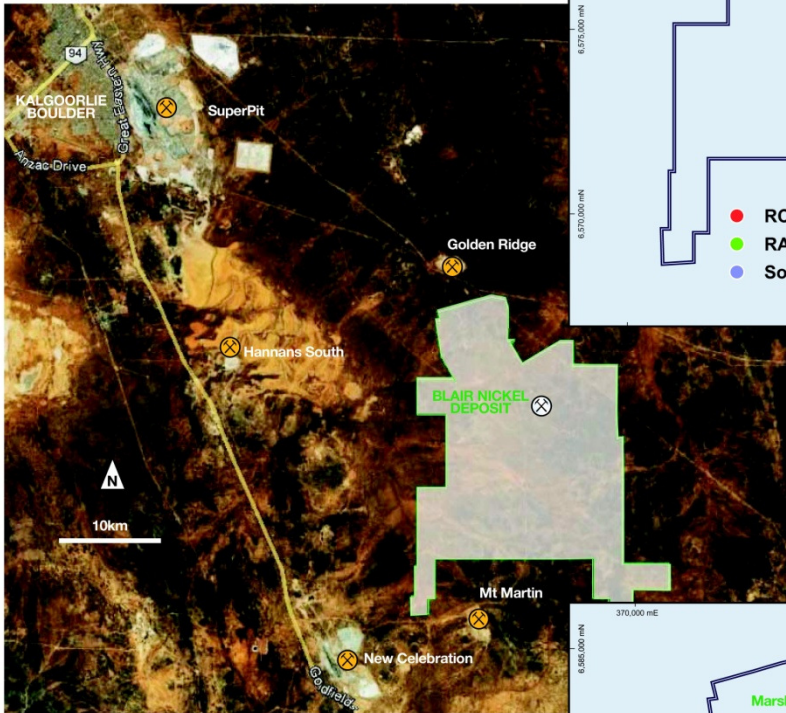
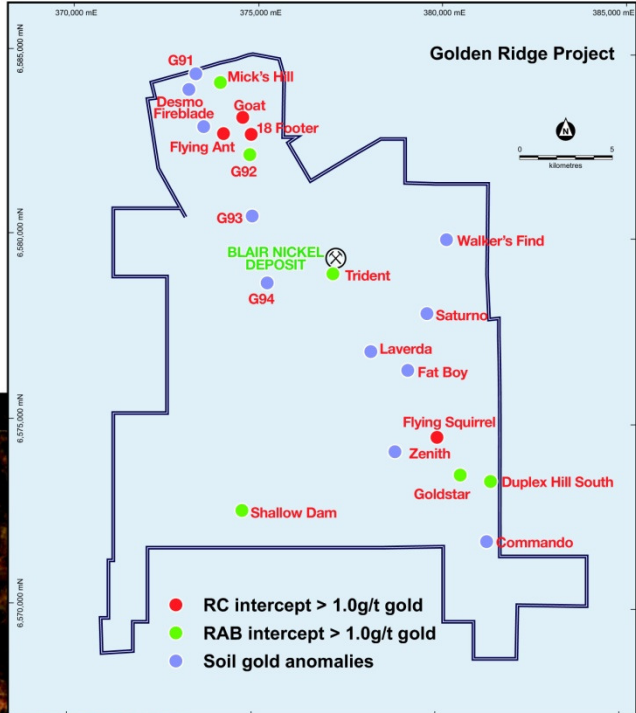
### Flying Squirrel

- GOC0274 - 3m at 10.43 g/t Au from 7m

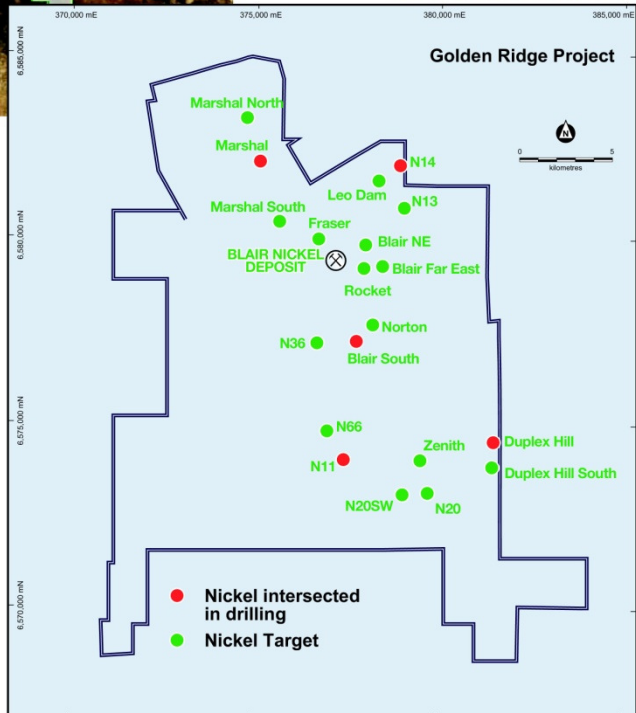
### Goat

- GOC0276 - 6m at 3.04 g/t Au from 54m

**GOLD PROSPECTS**



**NICKEL PROSPECTS**



## **Competent Person**

The information in this report that relates to Exploration Results is based on information compiled by Mr David Crook from a database provided by AUZ for the purpose of technical due diligence for the project acquisition. Mr Crook is a full time employee of Pioneer Resources Limited and a member of The Australasian Institute of Mining and Metallurgy (member 105893). Mr Crook has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Crook consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

## **Caution Regarding Forward Looking Information**

This document contains forward looking statements concerning the projects owned by the Company. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralization will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.