

5 December 2012

ASX/Media Announcement

Pioneer Substantially Increases its Presence in the Albany-Fraser Mineral Province

- Through pegging, Pioneer has increased its Fairwater JV Project area by 1,094km². The Project now has a contiguous area of 1,422km².
- The Fairwater Project is within the emerging Albany-Fraser Mineral Province, host to the world-class Tropicana Gold Project and recent Nova Nickel-Copper discovery.
- The newly pegged ground has nickel and gold targets already identified based on 1990s geochemistry surveys.
- Pioneer holds a 75% interest in all commodities for the Project.

VERY LARGE INCREASE TO PIONEER'S TENEMENT HOLDING, COMPLETE WITH GOLD AND NICKEL TARGETS

Pioneer Resources Limited ("Pioneer" or the "Company" (ASX: PIO)) is pleased to announce that it successfully pegged 6 exploration licences within the Albany-Fraser Mineral Province. The new exploration licences total 1,094 km² and are contiguous with the Company's existing tenements.

Pioneer's Managing Director Mr David Crook said, "The Albany-Fraser Mineral Province is rapidly increasing in importance to Australian explorers following recent substantial upgrades announced for the Tropicana Gold Deposit, now 8 million ounces, and at the emerging Nova Nickel-Copper discovery".

The Albany Fraser Province extends along the southern and southwestern margin of the Archaean-aged Yilgarn Craton and is composed of Archaean and Proterozoic rocks, juxtaposed during the major Proterozoic-aged Albany-Fraser Orogeny. The geological composition is predominantly gneiss and granite but also includes large sheets of metamorphosed gabbro (including the Fraser Complex), remnants of mafic dykes and widespread sedimentary rocks.

"As aspects of the Fairwater Project's geological setting are considered analogous to that of the Tropicana Gold Project and other Albany-Fraser base metal and gold occurrences, the known gold and nickel targets within the new tenements take on a great level of importance to the Company" Mr Crook said.



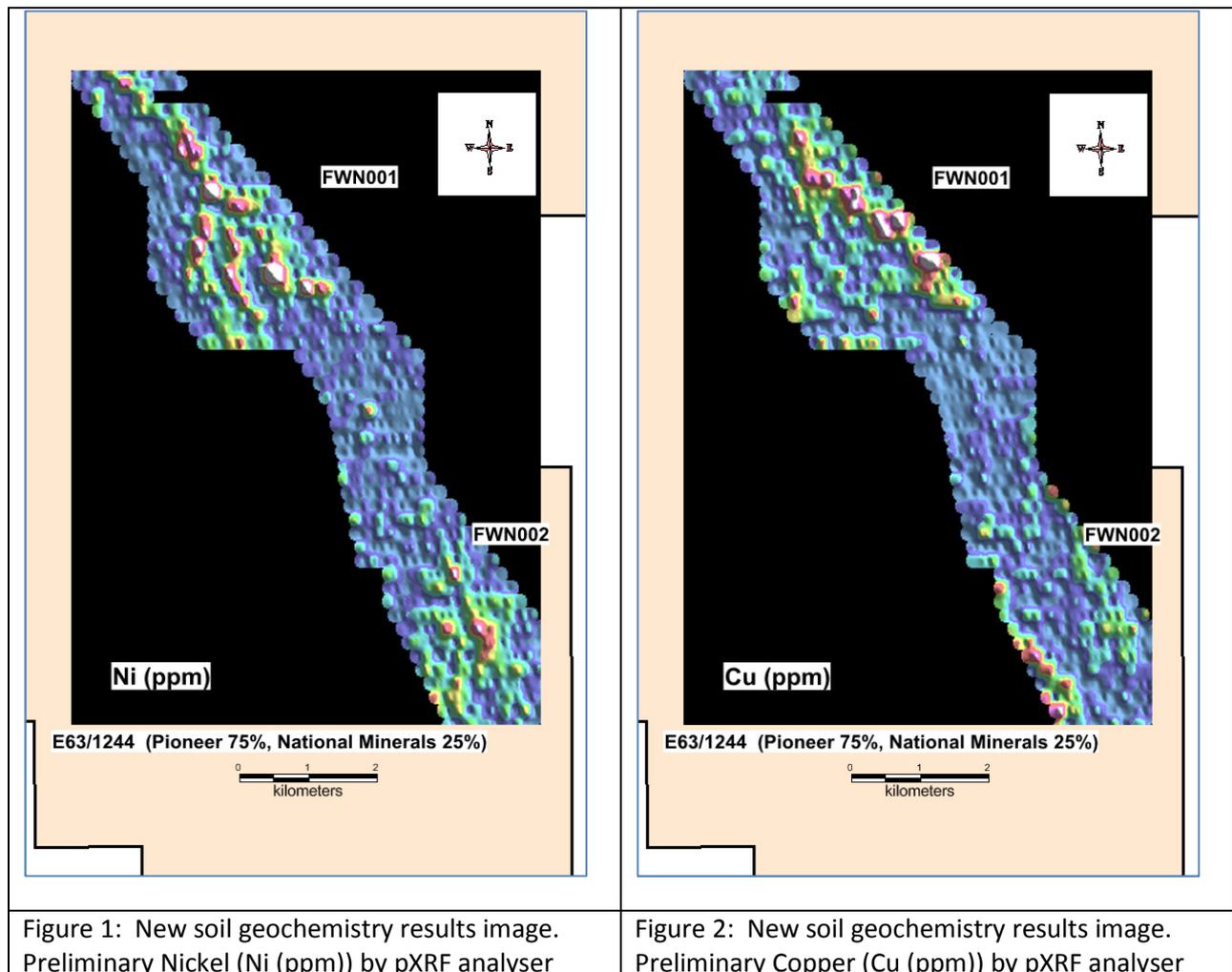
NICKEL AND GOLD EXPLORATION BY PIONEER

- 3,513 soil geochemistry samples have been collected.
- The program was designed to infill two nickel anomalies (FWN001 and FWN002) and one gold anomaly (FWA001) shown on figure 3 below.
- Samples were analysed on site for base metals using a pXRF, and are now in a laboratory for final chemical analysis – which will include gold assays. Results are expected later this year. The pXRF is not used for gold analysis.

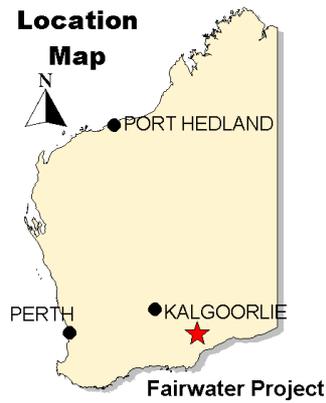
The Fairwater Project is located approximately 105km southwest of Sirius Resources Limited's Nova Prospect and 50km southwest of Enterprise Metals Limited's Plato Prospect, both of which occur in Proterozoic units of the Albany-Fraser Province.

Following on from soil sampling completed by Pan Australian Resources NL in 1998, Pioneer selected two nickel anomalies and a 6km long gold anomaly for further appraisal. Importantly, these targets occur adjacent to major structural zones capable of acting as conduits for a mineralising event.

Interpretation of nickel and chrome (and other element) assays from pXRF data suggests the presence of ultramafic rocks at the FWN001 target. In addition, samples with coincident nickel and copper at FWN001 form targets for future nickel sulphide exploration. The Company has booked an EM crew for early 2013 for surveys at its Golden Ridge Nickel Sulphide Project, and subject to final assay results, EM surveys will be conducted at the Fairwater Project immediately thereafter.



THE FAIRWATER PROJECT



Results from auger-soil sampling by Pan Australian Exploration Pty Ltd in the 1990s identified a number of nickel-copper anomalies overlying an interpreted mafic-ultramafic complex of Proterozoic age rocks (Figure 3), adjacent to a major NNW-SSE trending crustal structure which separates the Proterozoic terrain from a wedge of Archaean terrain. Such terrain bounding structures, along with the interpreted presence of a mafic-ultramafic complex and coincident Ni-Cu soil anomalism, make this project highly prospective for nickel-copper and platinum group metals.

In addition to the nickel targets, 8 gold anomalies have been identified within the expanded tenement package. The gold anomalies also lie adjacent to major structures which are a result of the Albany-Fraser Orogenic event. Such deep-seated structures are considered excellent conduits for mineralising fluids. FWA001, the first target further tested by Pioneer, extends for over 4km above a lower threshold of 8 ppb Au to a maximum of 18 ppb Au. It is worth noting that the Au response in the Albany-Fraser province is known to be subdued with a threshold of 3 ppb Au typically considered significant (e.g. the Tropicana Deposits).

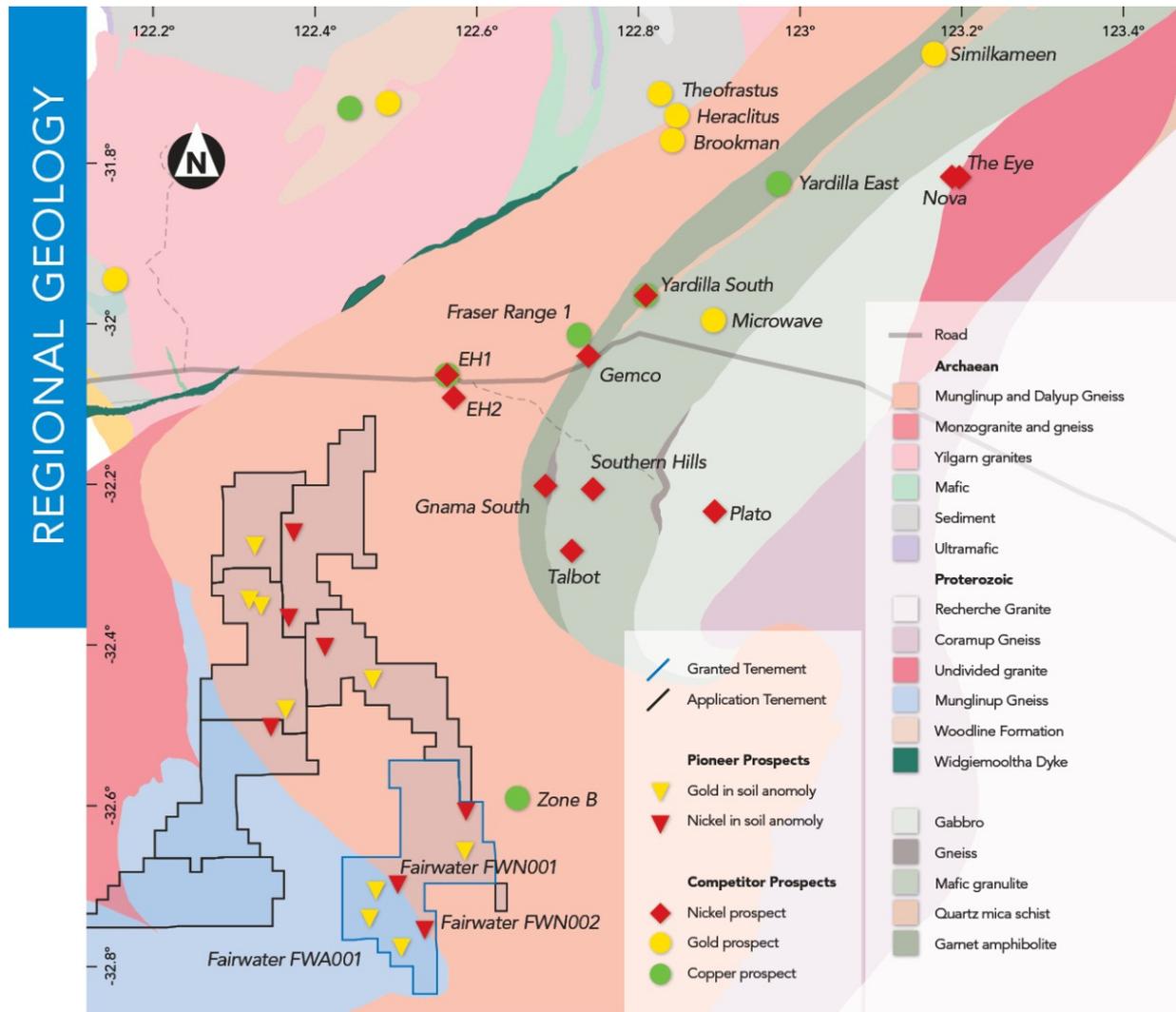


Figure 3: Albany Fraser Province showing the Fairwater Project and other metal discovery locations.

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.

Competent Person

The information in this report is based on information provided to Mr David Crook by consultants and from open file data available from the DMP, Western Australia. Data also included in-house analysis of samples using the Olympus pXRF completed under the supervision of Dr Nigel Brand. 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 may contain 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.

- *Pioneer Sampling technique: 100g of 250 micron soil fraction collected and assayed using an Olympus pXRF analyser. Quality control samples are placed at a rate of 1 per 33 samples. This technique provides satisfactory data for Ni, Cu and Cr when undertaking "high level" field evaluations and planning. The technique is not appropriate for Au.*
- *The same 100g sample has been submitted for wet chemical analysis for base metals and gold to a commercial laboratory.*
- *pXRF means portable x-ray fluorescence, which is the technique the Olympus analyser uses to estimate the content of a range of chemical elements in a rock or soil sample.*
- *The Pan Australian Auger samples predominantly came from the first meter below surface, and were sieved to -2mm with ~1kg sent for analysis by Genalysis Laboratories, Perth. The sample was pulverised to 85% passing 75µm and a 50gm charge was digested by aqua regia with solvent extraction. Gold (Au) was analysed by graphite furnace AAS with a detection limit of 1 ppb., Ni, Cu, As, Cr and Zn were analysed by AAS. All sample points were located by differential GPS. Pan Australian QAQC program consisted of 1/50 duplicates and 1/100 field standards.*