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4 December 2013

Dear Shareholder

As you will be aware your Company is currently undertaking a Share Purchase Plan (SPP) to fund exploration activities at our three lead projects, and many of you will have spoken with our shareholder communication company, Radar Shareholder Engagement, by phone.

Over the course of the past 18 months the Company completed the rebuilding of its exploration portfolio following the \$8 million sale of the Mt Jewell Gold Project and exciting results have been delivered from each of the Acra Gold Project, the Blair Nickel Mine and the Fairwater Nickel and Gold Project.

We believe the Company is very well placed to achieve further exploration success in 2014 and therefore commend you to participate in the SPP if you haven't yet. All of the Board members intend to participate in this capital raising.

Following is an outline of this year's advance at the Company's principal projects.

#### Acra Gold Project

Despite being located only 70km northeast of the world class mining centre of Kalgoorlie, Pioneer is the first modern company to explore the Acra Project for gold, with the added benefit of a substantial gold database generated by previous nickel explorers.

Very encouraging drill results<sup>1</sup> were returned from RC drilling during the year, including:

Kalpini South:	Jubilee East:	Carmelia South (Regolith):
KSRC004: 10m at 6.38g/t	JERC002: 13m at 2.84g/t	CSRC002: 3m at 3.68g/t
KSRC005: 9m at 5.31g/t	JERC007: 4m at 8.1g/t	CSRC003: 3m at 4.34g/t
KSRC007: 13m at 3.31g/t	JERC003: 2m at 12.42g/t	CSRC012: 4m at 2.48g/t

<sup>1</sup> Refer to announcements and September 2013 Quarterly Activities Report

Proceeds of a successful capital raising will be allocated towards further drilling to determine the extent of mineralisation within the project area. The Company believes that the Acra Project has the potential to host a significant gold deposit.

#### Blair Nickel Mine

Your Company reported a Mineral Resource<sup>2</sup> for remnant mineralisation at the Blair Nickel Mine, being 222,710 tonnes of nickel sulphide ore at a grade of at 2.92% nickel, containing approximately 6,510t of nickel. This provides an excellent basis from which to grow the resource inventory, and priority areas have been identified that warrant further exploration. We believe the project is ideally leveraged for a forecast rise in nickel price and will consider all available alternatives to benefit from such an increase. The Blair Mine is 30km north of the world class Kambalda Nickel mining centre.

<sup>2</sup> Refer Announcement Blair Nickel Sulphide Mine Mineral Resource Statement 28 November 2013

#### Fairwater Nickel and Gold Project (Albany-Fraser Orogen)

The Fairwater Project is located in the same region as Sirius Resources' (ASX: SIR) world class nickel-copper discoveries and could be described as Pioneer's high leverage project. By compiling data from earlier explorers, Pioneer's consultants have highlighted 5 nickel and 3 gold targets within our tenements. Exploration programs, including soil geochemistry, VTEM and ground EM, have been completed at the first nickel target which identified the Project's first drill target for nickel. Exploration programs will continue to progressively explore the remaining nickel and gold targets throughout 2014.

**The SPP has been extended and will now close at 5.00pm (WST) on Monday 9 December 2013.**

Full details of the SPP have previously been mailed to shareholders and we strongly encourage you to read this documentation carefully. Should you require further information, or if you have misplaced your documents, please contact the Company on 08 9322 6974, or a licensed financial advisor.

Eligible Shareholders may participate in the SPP by applying for shares using the SPP Application Form enclosed in the documentation or by making a BPAY payment using the personalised reference number shown on your Application Form.

On behalf of your Board and management team I invite you, as an Eligible Shareholder, to participate in the Company's current and future mineral exploration endeavors by taking up the SPP offer.

And we again thank all shareholders for their continued support of the Company over the past 10 years, and look forward to sharing details of our exploration progress and success in the months ahead.

Yours sincerely

David Crook



Managing Director  
**Pioneer Resources**

#### **Competent Person' Statement**

*The information in the Announcement for the Acra and Fairwater Projects is based on information collected by the Company or provided to the Company, including from open file data available from the DMP, Western Australia. 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 of relevance to the styles of mineralisation and types of deposit under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*

*The information in this report that relates to Mineral Resources at the Blair Mine is based on information compiled by Mr David Crook, Mr Don Huntly and Mr Lauritz Barnes. Mr Crook is a full time employee of Pioneer Resources Limited and a member of The Australasian Institute of Mining and Metallurgy (member 105893). Both Mr Huntly and Mr Barnes are Consultants to The Company and are Members of the Australian Institute of Geoscientists. Mr Crook, Mr Huntly and Mr Barnes have sufficient experience of relevance to the styles of mineralisation and types of deposit under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Crook and Mr Huntly are the Competent Persons for the database, geological and mineralisation models, resource classification and completed the site inspection. Mr Barnes is the Competent Person for the resource estimation. Mr Crook, Mr Huntly and Mr Barnes consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.*

#### **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.*