

## SINCLAIR CAESIUM MINE UPDATE

### MINING PROPOSAL APPROVED

**Perth Western Australia, 25 July 2018: Pioneer Resources Limited** ("Company" or "Pioneer", ASX: PIO) is pleased to provide the following update for its 100%-held Pioneer Dome Project in the Eastern Goldfields of Western Australia, which includes the Sinclair Zone Caesium Deposit.

#### PREPARATIONS ADVANCE FOR THE SINCLAIR CAESIUM MINE

- Dept of Mines Industrial Relations and Safety approval received for:
  - The Mining Proposal, including Mine Plan and Mine Closure Plan; and
  - Project Management Plan
- Preferred Mining Contractor notified and dates for the commencement of mining will now be firmed up
- Commencement of infrastructure establishment and ground preparation to start during August 2018, including: construction of site access, mobilisation of site buildings, site clearing, soil stockpiles and first blast drilling
- Mine Fleet mobilisation planned for September 2018

“With the receipt of the Mining Proposal and Project Management Plan approvals, the Company will complete final documentation with the State and Contractors, and work to a Commencement of Mining Operation start-date during the September quarter,” Pioneer’s Managing Director David Crook said.

#### Pioneer Dome Project and the Sinclair Zone Caesium Deposit

In early 2017 Pioneer reported the discovery of Australia’s first caesium (in the mineral ‘pollucite’) deposit, and considers the Project to be prospective for further discoveries.

Pollucite is a high value caesium mineral and global supply is very constrained. It forms in extremely differentiated LCT pegmatite systems. The primary use of pollucite is in the manufacture of Caesium Formate brine used as an additive to drilling-fluids in high temperature/high pressure oil and gas drilling.

On 20 June 2018 the Company announced that it had entered into a binding Offtake and Loan Facility Agreement with Cabot Corporation for the sale and purchase of 100% of direct shipping pollucite ore (DSO) extracted from the Sinclair Caesium Mine.

As a component of the Agreement, Cabot will provide funding in the form of an interest-free US\$4.8 million loan to the Company to be put towards the development and mining costs of the Sinclair Caesium Mine. The Loan will be repaid by Pioneer through the delivery of DSO pollucite from the Sinclair Mine, or by cash settlement subject to certain conditions to Cabot.



**Managing Director**

## **About Pioneer Resources Limited**

Pioneer is an emerging miner and exploration company focused on key global demand-driven commodities. The Company operates a portfolio of strategically located lithium, caesium, potassium (“alkali metals”), nickel, cobalt and gold projects in mining regions in Western Australia, plus a portfolio of high quality lithium assets in Canada.

## **About Pollucite – The Principal Ore Mineral of Caesium**

Pollucite is a rare mineral of caesium that forms only in extremely differentiated zones of lithium- caesium-tantalum (LCT) pegmatite systems. It is found in commercial quantities only at the Bikita Mine in Zimbabwe; and Cabot’s Tanco Mine in Canada where it is mined principally for use in the manufacture of Caesium Formate, a high- density fluid additive used in high temperature/high pressure oil and gas drilling. The principal Caesium Formate manufacturer and dealer is Cabot Corporation (NYSE: CBT), through its Cabot Speciality Fluids division. Caesium Formate provides a number of well documented benefits including, minimal damage to the hydrocarbon-bearing formation resulting in higher production rates, it acts as a lubricant, is non-corrosive and is considered an environmentally benign chemical when compared to alternatives. Caesium in principal commercial usage is not radioactive isotope.

## **Competent Person**

The information in this report is based on information supplied to and compiled by Mr David Crook.

Mr Crook is a fulltime employee of Pioneer Resources Limited. Mr Crook is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient experience which is relevant to the exploration processes undertaken to qualify as a Competent Person as defined in the 2012 Editions of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Crook consents to the inclusion of the matters presented in the announcement in the form and context in which they appear.

## **Caution Regarding Forward Looking Information**

This Announcement may contain forward looking statements concerning the projects owned or being earned in 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 mineralisation 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.