

Concise Financial and Statutory Reports 2010

The CONCISE FINANCIAL REPORT has been derived from Pioneer Resources Limited's and its controlled entity's 2010 full financial report. The financial statements included in the concise financial report cannot be expected to provide as full an understanding of Pioneer Resources Limited's and its controlled entity's financial performance, financial position and financing and investing activities as provided by the consolidated entity's full financial report. A copy of the consolidated entity's 2010 full financial report, together with the independent audit report, is available to all shareholders. Shareholders wishing to receive a full financial report and independent audit report may obtain a copy by contacting the Company (refer contact details in the Corporate Directory).



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Corporate Directory

DIRECTORS

Craig Ian McGown

Independent Non-Executive Chairman

David John Crook

Managing Director

Allan Trench

Independent Non-Executive Director

Thomas Wayne Spilsbury

Independent Non-Executive Director

COMPANY SECRETARY

Julie Anne Wolseley

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SECURITIES EXCHANGE LISTING

The Company's shares are quoted on the Australian Securities Exchange.
The Home Exchange is Perth.

ASX CODE

PIO - ordinary shares

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Directors' Report

The Directors present their report on Pioneer Resources Limited and the entity it controlled at the end of and during the year ended 30 June 2010.

DIRECTORS

The names and details of the Directors of Pioneer Resources Limited during the financial year and until the date of this report are:

Craig Ian McGown – B Comm, FCA, ASIA Independent Non-Executive Chairman

Mr McGown was appointed a Director on 13 June 2008. Mr McGown is an investment banker with over 35 years of experience consulting to companies in Australia and internationally, particularly in the natural resources sector. He holds a Bachelor of Commerce degree, is a Fellow of the Institute of Chartered Accountants and an Affiliate of the Financial Services Institute of Australasia. Mr McGown is currently an executive director of Resource Investment Capital Advisors Pty Ltd which provides corporate advisory services to the resources sector.

Mr McGown was formerly the executive chairman of DJ Carmichael Pty Limited and an executive director of Resource Finance Corporation Limited.

Mr McGown brings to the Board a comprehensive knowledge of equity and debt markets and financing of resource projects. During the three year period to the end of the financial year, Mr McGown held directorships in Bass Metals Ltd (7 July 2004 to present), Peel Exploration Limited (1 February 2008 to present) and Entek Energy Ltd (18 July 2008 to present).

David John Crook – B.Sc, MAusIMM, MAICD Managing Director

Mr Crook was appointed the inaugural Managing Director of Pioneer on 11 August 2003. Mr Crook is a geologist with 30 years of experience in exploration, mining and management, predominantly within Western Australia, where he has investigated gold, nickel sulphide, nickel laterite and other commodities in teams with an excellent discovery record. He has held senior management roles, including the Pioneer IPO, exploration management, project acquisitions, JV negotiations and capital raisings.

In Australia Mr Crook's operational experience has included tenement identification to ore reserve calculations for gold and base metal projects; and a decade engaged in operating gold mines. Prior to Pioneer his career highlights included participation in the discovery of the Radio Hill Nickel Mine, ore generation and early production and at the Gidgee Gold Mine during the 1980-1990s and, prior to Pioneer, he was for 7 years, the exploration manager at Heron Resources Limited.

Allan Trench – B.Sc (Hons), Ph. D, M.Sc (Min. Econ), MBA (Oxon), ARSM, AWASM, MAusIMM, GAICD Independent Non-Executive Director

Dr Trench was appointed a Director on 8 September 2003. Dr Trench is a mineral economist, geophysicist and business management consultant with minerals experience including nickel, gold, vanadium and mineral sands. Dr Trench led nickel sulphide exploration teams for WMC Resources in the Widgiemoorltha-Pioneer and Leinster-Mt Keith regions of WA in the mid 1990's. He has subsequently worked with McKinsey and Company, KCGM Pty Ltd and is now with CRU, an independent business analysis and consultancy group.

During the three year period to the end of the financial year, Dr Trench also held directorships in Navigator Resources Ltd (14 November 2005 to present), Venturex Resources Limited (12 November 2008 to present) and Hot Chili Ltd (19 July 2010 to present).

Thomas Wayne Spilsbury – B.Sc (Hons), M.Sc (Geology), P. Geology (B.C.), FAusIMM, MAIG, GAICD Independent Non-Executive Director

Mr Spilsbury was appointed a Director on 4 January 2010. Mr Spilsbury is a geologist who received his B.Sc. (Honors Geology) in 1973 from the University of British Columbia and his M. Sc. (Applied Geology) in 1982 from Queens University in Ontario. He brings over 35 years of experience in mineral exploration and management, including 28 years with Teck Cominco Limited and was their former General Manager, Exploration – Asia Pacific. In this role, he held responsibility for managing an extensive exploration portfolio including large-scale gold and base metal projects in Australia and China. Mr Spilsbury has worked throughout Western Canada, the United States, Asia and Australia.

Mr Spilsbury currently holds directorships in Minco Silver Corporation, GGL Resources Corp and International Lithium Corp.

Mr Peter Langworthy resigned as a Director on 22 July 2009.

COMPANY SECRETARY

Julie Wolseley – B.Com, CA, MAICD

Ms Wolseley was appointed Company Secretary on 11 August 2003. Ms Wolseley is the principal of a corporate advisory company with over 19 years of experience acting as company secretary to a number of ASX listed public companies operating primarily in the resources sector. Previously Ms Wolseley was an audit manager both in Australia and overseas for an international accounting firm. Ms Wolseley also holds a directorship on the board of OM Holdings Limited.

Directors' Report (continued)

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PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the financial year consisted of mineral exploration and development principally in Western Australia.

There have been no significant changes in these activities during the financial year.

RESULTS OF OPERATIONS

The consolidated net loss after income tax for the financial year was \$1,575,121 (2009: \$4,720,387).

DIVIDENDS

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

REVIEW OF OPERATIONS AND ACTIVITIES

The consolidated entity recorded an operating loss after income tax for the year ended 30 June 2010 of \$1,575,121, compared to the 30 June 2009 consolidated operating loss after income tax of \$4,720,387. The prior year result included exploration write-downs totalling \$3,947,359 related primarily to the Ravensthorpe Joint Venture, Pioneer, Balagundi and Aerodrome Joint Venture Projects.

During the year the consolidated entity incurred a total of \$3,343,533 on exploration expenditure of which \$698,664 was funded by way of joint venture contributions and funding made by joint venture participants in accordance with joint venture arrangements. A significant proportion of the exploration and evaluation expenditure was incurred on the Company's Mt Jewell Gold Project, Golden Ridge JV and Acra JV Projects in Western Australia.

During the year the Company completed a number of capital raising initiatives. A total of 104,336,270 ordinary shares were issued during the year raising \$4.178 million (before issue costs) for the purpose of supporting the Company's working capital requirements and to satisfy expenditure requirements on key projects.

The Company's cash position at the end of the year was \$2,336,721 and this was supplemented since year end by a further capital raisings which totalled \$3,647,104 (before issue costs) as outlined in Note 28 to the full financial report.

These capital raisings will continue to be applied to further drilling programs planned at the Company's 100% owned Mt Jewell Gold Project, where significant mineralisation has been identified in recent programs, which now require follow up.

Corporate and Financial Position

As at 30 June 2010 the consolidated entity had cash reserves of \$2,336,721 (2009: \$1,325,040). This cash position was further supplemented on 1 September 2010 by the Company placing 37,856,712 ordinary shares at an issue price of 3 cents which raised \$1,135,701 (before issue costs) and on 28 September 2010 by the Company issuing 83,713,424 ordinary shares at an issue price of 3 cents per share under a Share Purchase Plan which raised \$2,511,403 (before issue costs).

Business Strategies and Prospects

The consolidated entity currently has the following business strategies and prospects over the medium to long term:

- (i) Seek to increase the value of the consolidated entity's mineral assets located in Western Australia through exploration success;
- (ii) Specifically advance the consolidated entity's Mt Jewell Gold Project, Golden Ridge JV, Acra JV and Mt Thirsty Projects; and
- (iii) Continue to examine new mineral opportunities, with particular focus on advanced projects with the potential to deliver early cash flow opportunities.

Risk Management

The Board is responsible for the oversight of the consolidated entity's risk management and control framework.

Responsibility for control and risk management is delegated to the appropriate level of management with the Managing Director having ultimate responsibility to the Board for the risk management and control framework.

Areas of significant business risk to the consolidated entity are highlighted in the Business Plan presented to the Board by the Managing Director each year.

Arrangements put in place by the Board to monitor risk management include monthly reporting to the Board in respect of operations and the financial position of the consolidated entity.

Directors' Report (continued)

EMPLOYEES

The consolidated entity employed 4 full-time employees as at 30 June 2010 (2009: 4 employees).

SHAREHOLDER RETURNS

	2010 Cents	2009 Cents
Basic loss per share	(0.6)	(3.9)
Diluted loss per share	(0.6)	(3.9)
Share price – 30 June 2010 (30 June 2009)	3.4	2.8

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review except for:

Shares issued

The Company made the following share placements during the year:

- On 28 July 2009 the Company completed a share placement of 46,200,000 ordinary shares at an issue price of 2.5 cents each which raised \$1,155,000 (before issue costs).
- On 30 September 2009 the Company completed a share placement of 58,136,270 ordinary shares at an issue price of 5.2 cents each which raised \$3,023,086 (before issue costs).

All share placements were offered and accepted by professional and sophisticated investors within the exemptions detailed in section 708 of the Corporations Act 2001.

Proceeds from the placements completed during the year were applied towards exploration programmes at the Company's operations and for working capital.

On 1 September 2010 the Company completed a share placement of 37,856,712 ordinary shares at an issue price of 3 cents which raised \$1,135,701 (before issue costs) and on 28 September 2010 the Company issued 83,713,424 ordinary shares at an issue price of 3 cents per share under a Share Purchase Plan which raised \$2,511,403 (before issue costs).

OPTIONS OVER UNISSUED CAPITAL

Unlisted Options

During the financial year the Company granted the following unlisted options over unissued shares:

Issued To	Number of Options Granted	Exercise Price per Option	Value per Option at Grant Date	Value of Options Granted	Vesting Date	Expiry Date
Directors	2,166,666	8.5 cents	3.36 cents	\$72,800	30 Nov 10	30 Nov 13
Directors	2,166,666	10 cents	3.32 cents	\$71,933	30 Nov 11	30 Nov 13
Directors	2,166,668	12 cents	3.25 cents	\$70,417	30 Nov 12	30 Nov 13
Director	433,333	8.5 cents	2.12 cents	\$9,187	31 Dec 10	31 Dec 13
Director	433,333	10 cents	2.07 cents	\$8,970	31 Dec 11	31 Dec 13
Director	433,334	12 cents	2 cents	\$8,667	31 Dec 12	31 Dec 13
Employees/Consultant	1,199,999	8.5 cents	3.36 cents	\$40,320	30 Nov 10	30 Nov 13
Employees/Consultant	1,174,999	10 cents	3.32 cents	\$39,010	30 Nov 11	30 Nov 13
Employees/Consultant	1,175,002	12 cents	3.25 cents	\$38,188	30 Nov 12	30 Nov 13
Heron Resources Ltd	2,000,000	10 cents	2.83 cents	\$56,600	Fully vested	31 Dec 11
Heron Resources Ltd	2,000,000	12 cents	2.7 cents	\$54,000	Fully vested	31 Dec 11
Total	15,350,000			\$470,092		

Further details on the value per options are disclosed in Note 13(d) to the full financial report.

Directors' Report (continued)

OPTIONS OVER UNISSUED CAPITAL (continued)

Unlisted Options (continued)

During the year a total of 3,750,000 unlisted options expired and were cancelled.

Since 30 June 2010 and to the date of this report no unlisted options have been issued and 2,400,000 unlisted options expired on 8 September 2010.

As at the date of this report unissued ordinary shares of the Company under option are:

Number of Options	Exercise Price per Option	Expiry Date
350,000 *	25 cents	30 June 2011
250,000 *	30 cents	30 June 2011
1,000,000 ^{(i)*}	25 cents	31 August 2011
2,400,000 *	22 cents	8 September 2011
2,000,000 ^{(ii)*}	10 cents	31 December 2011
2,000,000 ^{(ii)*}	12 cents	31 December 2011
200,000 *	25 cents	31 March 2012
750,000 *	20 cents	30 June 2012
750,000 *	22 cents	30 June 2013
3,366,665	8.5 cents	30 November 2013
3,341,665	10 cents	30 November 2013
3,341,670	12 cents	30 November 2013
433,333	8.5 cents	31 December 2013
433,333	10 cents	31 December 2013
433,334	12 cents	31 December 2013
21,050,000		

(i) unlisted options held by Xstrata Nickel Australasia Investments Pty Ltd.

(ii) unlisted options held by Heron Resources Limited.

* unlisted options fully vested.

The above options represent unissued ordinary shares of the Company under option as at the end of the financial year and as at the date of this report. These unlisted options do not entitle the holder to participate in any share issue of the Company.

The holders of unlisted options are not entitled to any voting rights until the options are exercised into ordinary shares.

The names of all persons who currently hold options granted are entered in a register kept by the Company pursuant to Section 168(1) of the Corporations Act 2001, and the register may be inspected free of charge.

No person entitled to exercise any option has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.

CORPORATE STRUCTURE

Pioneer Resources Limited (ACN 103 423 981) is a company limited by shares that was incorporated on 17 January 2003 and is domiciled in Australia. The Company has prepared a consolidated financial report including the entity it incorporated and controlled during the financial year, Western Copper Pty Ltd. Western Copper Pty Ltd (ACN 114 863 928) was incorporated on 21 June 2005.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in

Directors' Report (continued)

EVENTS SUBSEQUENT TO BALANCE DATE (continued)

subsequent financial years other than market announcements released to the Australian Securities Exchange since balance date which included the following:

Share Placement and Share Purchase Plan

- (i) On 26 August 2010 the Company announced a share placement of 37,856,712 ordinary shares at an issue price of 3 cents which raised \$1,135,701 (before issue costs). The shares were issued to professional and sophisticated investors in accordance with the Corporations Act 2001 and who were clients of Patersons Securities Limited. Completion of the share placement occurred on 1 September 2010.
- (ii) On 28 September 2010 the Company issued a total of 83,713,424 ordinary shares at an issue price of 3 cents each which raised \$2,511,403 (before issue costs). The shares were issued under a Share Purchase Plan to eligible shareholders which closed on 22 September 2010 significantly oversubscribed.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the consolidated entity are included elsewhere in this Annual Report. Disclosure of any further information has not been included in this report because, in the reasonable opinion of the Directors to do so would be likely to prejudice the business activities of the consolidated entity.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The consolidated entity holds various exploration licences to regulate its exploration activities in Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities. So far as the Directors are aware there has been no material breach of the consolidated entity's licence conditions and all exploration activities comply with relevant environmental regulations.

INFORMATION ON DIRECTORS

As at the date of this report the Directors' interests in shares and unlisted options of the Company are as follows:

Director	Title	Directors' Interests in Ordinary Shares	Directors' Interests in Unlisted Options
Craig I McGown	Non-Executive Chairman Appointed on 13 June 2008	1,500,000	3,000,000
David J Crook	Managing Director Appointed on 11 August 2003	2,734,34	4,750,000
Allan Trench	Non-Executive Director Appointed on 8 September 2003	1,303,426	1,250,000
Thomas W Spilsbury	Non-Executive Director Appointed on 4 January 2010	150,000	1,300,000

DIRECTORS' MEETINGS

The number of meetings of the Company's Directors held in the period each Director held office during the financial year and the number of meetings attended by each Director were:

Director	Board of Directors' Meetings		Short Notice Meetings	
	Held	Attended	Held	Attended
C I McGown	9	9	2	2
D J Crook	9	9	2	2
A Trench	9	9	2	2
T W Spilsbury	4	4	1	1
P Langworthy	1	1	-	-

During the financial year there were ten general Directors' meetings for which formal notice of meeting was given. In addition, there were seven Directors' meetings called for specific purposes.

Directors' Report (continued)

REMUNERATION REPORT

Recommendation 8.1 of the ASX Corporate Governance Council's second edition of its Corporate Governance Principles and Recommendations (August 2007) states that the Board should establish a Remuneration Committee. The Board has formed the view that given the number of Directors on the Board, this function could be performed just as effectively with full Board participation. Accordingly it was resolved that there would be no separate Board sub-committee for remuneration purposes.

This report details the amount and nature of remuneration of each Director of the Company. Other than Directors, there were no executive officers of the Company during the year.

Overview of Remuneration Policy

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the executive team. The overall remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide the Managing Director and the executive team with a remuneration package consisting of a fixed and variable component that together reflects the person's responsibilities, duties and personal performance. An equity based remuneration arrangement for the Board and the executive team is in place. The remuneration policy is to provide a fixed remuneration component and a specific equity related component, with no performance conditions. The Board believes that this remuneration policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate in aligning Director and executive objectives with shareholder and business objectives.

The remuneration policy in regard to setting the terms and conditions for the Managing Director has been developed by the Board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

Directors receive a superannuation guarantee contribution required by the government, which is currently 9% per annum and do not receive any other retirement benefit. Some individuals, however, have chosen to sacrifice part or all of their salary to increase payments towards superannuation.

All remuneration paid to Directors is valued at cost to the Company and expensed. Options are valued using the Black-Scholes or Binomial valuation methodology. In accordance with current accounting policy the value of these options is expensed over the relevant vesting period.

Non-Executive Directors

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. The annual aggregate amount of remuneration paid to Non-Executive Directors was approved by shareholders on 19 November 2009 and is not to exceed \$400,000 per annum. Actual remuneration paid to the Company's Non-Executive Directors is disclosed below. Remuneration fees for Non-Executive Directors are not linked to the performance of the consolidated entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and have in limited circumstances received options.

On 19 November 2009 shareholders approved the issue of options to Messrs McGown, Crook and Trench as part of their remuneration. In addition on 31 May 2010 shareholders approved the issue of options to Mr Spilsbury. The options are as outlined in Note 19(b) to the full financial report. The options had no performance conditions attached to the share based remuneration.

Managing Director and Senior Management

The remuneration of the Managing Director is dictated by his executive service agreement.

The Company aims to reward executives with a level of remuneration commensurate with their position and responsibilities within the Company so as to:

- Reward executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- Reward executives in line with the strategic goals and performance of the Company; and
- Ensure that total remuneration is competitive by market standards.

Directors' Report (continued)

REMUNERATION REPORT (continued)

Structure

Remuneration consists of the following key elements:

- Fixed remuneration;
- Fixed remuneration levels dictated by benchmark criteria; and
- Issuance of unlisted options

Fixed Remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis including any employee benefits eg. motor vehicles) as well as employer contributions to superannuation funds.

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Remuneration packages for the staff who report directly to the Managing Director are based on the recommendation of the Managing Director, subject to the approval of the Board in the annual budget setting process.

Fixed Remuneration Benchmarks – Managing Director only

The remuneration of the Managing Director is linked to benchmarks associated with the Company's operational targets. These targets consist of a number of key performance indicators including acquisition or discovery of a significant economic mineral resource, enhancing corporate credibility and creation of value for shareholders.

At the end of the calendar year the Board assesses the actual performance of the consolidated entity and individual against the key performance indicators previously set. Any cash incentives and/or options granted require Board approval. Options proposed to be granted to the Managing Director also require shareholder approval.

Service Agreement

The Managing Director, Mr David Crook is employed under contract. The current Service Agreement commenced on 1 January 2004.

Under the terms of the present contract:

- The Service Agreement has no fixed term.
- Mr Crook may resign from his position and thus terminate the contract by giving two months written notice. On resignation any options that have not yet vested will lapse.
- The Company may terminate the contract by providing two months written notice or provide payment in lieu of notice by the Company. Any options that have vested, or will vest during the notice period will be released, whilst the options that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Managing Director is only entitled to that portion of remuneration which is fixed, and only up to the date of termination. On termination with cause, any unvested options will immediately lapse.
- If the Managing Director and the Company agree to terminate the contract by mutual consent, or if the Managing Director is removed, or if the Company enters into a deed of arrangement with creditors, placed under the control of receivers or is in breach of regulations, the Company will pay a sum to the Managing Director calculated in accordance with section 200G9(3) of the *Corporations Act 2001*.

Directors' Report (continued)

REMUNERATION REPORT (continued)

Details of the nature and amount of each element of the emoluments of each Director of Pioneer Resources Limited paid/accrued during the year are as follows:

2010

Director	Primary			Post Employment	Equity Compensation	Other	Total \$
	Base Emolument /Fees \$	Motor Vehicle \$	Other Benefits \$	Superannuation/ Salary Sacrifice Contributions \$	Non Cash Options \$	Insurance \$	
C I McGown (Non – Executive Chairman) ⁽ⁱ⁾	75,000	-	-	-	49,650	3,229	127,879
D J Crook (Managing Director)	229,358	10,000	3,951	20,642	132,400	3,229	399,580
A Trench (Non-Executive Director)	50,459	-	-	4,541	33,100	3,229	91,329
T W Spilsbury ^{(ii), (v)} (Non-Executive Director)	20,000	-	-	-	26,823	1,614	48,437
P Langworthy ^{(iii), (iv)} (Non-Executive Director)	-	-	-	-	-	-	-
Total	374,817	10,000	3,951	25,183	241,973	11,301	667,225

The movement during the year by value, of options over ordinary shares held by each of the Directors is detailed in Note 19(b) to the full financial report.

2009

Director	Primary			Post Employment	Equity Compensation	Other	Total \$
	Base Emolument /Fees \$	Motor Vehicle \$	Other Benefits \$	Superannuation/ Salary Sacrifice Contributions \$	Non Cash Options \$	Insurance \$	
C I McGown (Non – Executive Chairman) ⁽ⁱ⁾	59,231	-	-	-	50,175	2,583	111,989
D J Crook (Managing Director)	215,964	10,000	4,212	37,366	-	2,583	270,125
A Trench (Non-Executive Director)	29,434	-	-	2,649	-	2,583	34,666
P Langworthy ⁽ⁱⁱⁱ⁾ (Non-Executive Director)	32,083	-	-	-	-	2,583	34,666
Total	336,712	10,000	4,212	40,015	50,175	10,332	451,446

(i) Mr McGown's fees were paid to an entity Taurus Funds Management Pty Ltd or Resource Investment Capital Advisors Pty Ltd.

(ii) Mr Spilsbury's fees were paid to an entity GeoDuck Pty Ltd.

(iii) Mr Langworthy's fees were paid to a wholly owned controlled entity of Xstrata Nickel Australasia Pty Ltd or to a private company in which he has a beneficial interest.

(iv) Mr Langworthy resigned as a Director on 22 July 2009.

(v) Mr Spilsbury was appointed as a Director on 4 January 2010.

Option remuneration as a percentage of total remuneration for the year ended 30 June 2010 for CI McGown was 39% (30 June 2009: 45%), for DJ Crook was 33% (30 June 2009: 0%), A Trench 36% (30 June 2009: 0%) and TW Spilsbury 55%.

Other than the Directors disclosed above there were no other executive officers who received emoluments during the financial year ended 30 June 2010.

Directors' Report (continued)

ANALYSIS OF OPTIONS OVER EQUITY INSTRUMENTS GRANTED AS COMPENSATION

Details of vesting profiles of the options granted as remuneration to each of the Directors affecting remuneration in the current or future reporting periods are as follows:

Director	Number of Options	Grant Date	Date Vested and Exercisable	Expiry Date	Exercise Price per Option (cents)	Value per Option at Grant Date (cents)	% Vested in Year
Cl McGown	750,000	29 Aug 2008	29 Aug 2008	30 June 2012	20	2.97	-
	750,000	29 Aug 2008	29 Aug 2009	30 June 2013	22	3.78	16.16
	500,000	9 Dec 2009	30 Nov 2010	30 Nov 2013	8.5	3.36	57.14
	500,000	9 Dec 2009	30 Nov 2011	30 Nov 2013	10	3.32	28.25
	500,000	9 Dec 2009	30 Nov 2012	30 Nov 2013	12	3.25	18.77
DJ Crook	750,000	8 Sept 2006	8 Sept 2007	8 Sept 2011	22	7.03	-
	1,333,333	9 Dec 2009	30 Nov 2010	30 Nov 2013	8.5	3.36	57.14
	1,333,333	9 Dec 2009	30 Nov 2011	30 Nov 2013	10	3.32	28.25
	1,333,334	9 Dec 2009	30 Nov 2012	30 Nov 2013	12	3.25	18.77
A Trench	250,000	8 Sept 2006	8 Sept 2007	8 Sept 2011	22	7.03	-
	333,333	9 Dec 2009	30 Nov 2010	30 Nov 2013	8.5	3.36	57.14
	333,333	9 Dec 2009	30 Nov 2011	30 Nov 2013	10	3.32	28.25
	333,334	9 Dec 2009	30 Nov 2012	30 Nov 2013	12	3.25	18.77
TW Spilsbury	433,333	29-Jun-10	31-Dec-10	31-Dec-13	8.5	2.12	1.08
	433,333	29-Jun-10	31-Dec-11	31-Dec-13	10	2.07	0.36
	433,334	29-Jun-10	31-Dec-12	31-Dec-13	12	2.00	0.22

INDEMNIFYING OFFICERS AND AUDITOR

During the year the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance for an auditor of the Company.

AUDITORS' INDEPENDENCE DECLARATION

Section 370C of the *Corporations Act 2001* requires the Company's auditors Butler Settineri (Audit) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is attached and forms part of this Directors' Report.

NON-AUDIT SERVICES

Fees for non-audit services comprising tax services were paid/payable to Butler Settineri Chartered Accountants during the year ended 30 June 2010 totalling \$5,150 (30 June 2009: \$Nil).

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

Directors' Report (continued)

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CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles of corporate governance. The Company's corporate governance statement is contained in the Annual Report. This statement outlines the main corporate governance practices in place throughout the financial year, which comply with the ASX Corporate Governance Council recommendations, unless otherwise stated.

DATED at Perth this 6th October 2010

A handwritten signature in black ink, appearing to read 'D J Crook', is written above a solid black horizontal line.

D J Crook
Managing Director

Auditor's Independence Declaration

As lead auditor for the audit of Pioneer Resources Limited for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pioneer Resources Limited and the entity it controlled during the year.

BUTLER SETTINERI (AUDIT) PTY LTD



Lucy P Gardner
Director

Perth
Date: 6th October 2010

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2010

CONSOLIDATED

	Note	2010 \$	2009 \$
Continuing operations			
Other income	2(a)	140,760	157,535
Total revenue	2(a)	140,760	157,535
Employee expenses		(874,980)	(786,323)
Exploration expenditure written off	2(b)	(834,705)	(3,947,359)
Corporate expenses		(162,233)	(131,319)
Non-Executive Directors' fees		(150,000)	(123,398)
Expense of share-based payments	2(b)	(121,085)	(46,043)
Rental expense on operating leases	2(b)	(87,683)	(109,794)
Depreciation	2(b)	(47,335)	(50,345)
Insurance expenses		(31,286)	(29,963)
Employee costs recharged to capitalised exploration		679,002	562,056
Administration costs recharged to capitalised exploration		76,860	42,480
Reimbursement of overhead expenditure		106,129	-
Other expenses		(268,565)	(257,914)
Loss before income tax		(1,575,121)	(4,720,387)
Income tax		-	-
Net loss from continuing operations	3, 4	(1,575,121)	(4,720,387)
Other comprehensive (loss)/income		(19,500)	19,500
Total comprehensive loss for the year attributable to members of the Company		(1,594,621)	(4,700,887)
Earnings/(loss) per share from continuing operations			
Basic earnings/(loss) per share (cents per share)	6	(0.6)	(3.9)
Diluted earnings/(loss) per share (cents per share)	6	(0.6)	(3.9)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes to the concise financial report.

Statement of Financial Position

AS AT 30 JUNE 2010

		CONSOLIDATED	
	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		2,336,721	1,325,040
Other receivables		368,929	170,041
Other financial assets		49,597	48,340
TOTAL CURRENT ASSETS		2,755,247	1,543,421
NON-CURRENT ASSETS			
Plant and equipment and motor vehicles		48,245	78,886
Capitalised mineral exploration		7,288,083	5,727,458
TOTAL NON-CURRENT ASSETS		7,336,328	5,806,344
TOTAL ASSETS		10,091,575	7,349,765
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		355,271	239,316
Provisions		47,994	47,537
TOTAL CURRENT LIABILITIES		403,265	286,853
NON-CURRENT LIABILITIES			
Provisions		49,529	-
TOTAL NON-CURRENT LIABILITIES		49,529	-
TOTAL LIABILITIES		452,794	286,853
NET ASSETS		9,638,781	7,062,912
EQUITY			
Contributed equity		18,702,739	14,763,933
Share option reserve		950,825	719,141
Investments revaluation reserve		-	19,500
Accumulated losses	3	(10,014,783)	(8,349,662)
TOTAL EQUITY	4	9,638,781	7,062,912

The above Statement of Financial Position should be read in conjunction with the accompanying notes to the concise financial report.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2010

	Note	Contributed Equity	Share Option Reserve	Investment Revaluation Reserve	Losses	Total
BALANCE AT 1 JULY 2008		13,173,433	673,098	-	(3,719,275)	10,127,256
TOTAL COMPREHENSIVE LOSS		-	-	19,500	(4,720,387)	(4,700,887)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Shares issued during the year (net of transaction costs)	4	1,590,500	-	-	-	1,590,500
Directors and employees options	4	-	46,043	-	-	46,043
BALANCE AT 30 JUNE 2009		14,763,933	719,141	19,500	(8,439,662)	7,062,912
TOTAL COMPREHENSIVE LOSS		-	-	(19,500)	(1,575,121)	(1,594,621)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Shares issued during the year (net of transaction costs)	4	3,938,806	-	-	-	3,938,806
Directors and employees options	4	-	121,084	-	-	121,084
Other options issued	4	-	110,600	-	-	110,600
BALANCE AT 30 JUNE 2010		18,702,739	950,825	-	(10,014,783)	9,638,781

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes to the concise financial report.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2010

	CONSOLIDATED	
	2010 \$	2009 \$
	Inflows/(Outflows)	
Cash flows from operating activities		
Interest received	119,382	39,767
Other income	-	15,495
Payments to suppliers and employees (inclusive of goods and services tax)	(611,946)	(873,773)
Net cash used in operating activities	(492,564)	(818,511)
Cash flows from investing activities		
Payments for exploration and evaluation	(3,105,980)	(1,584,278)
Receipt of earn in funds re: Acra Joint Venture	580,758	212,817
Joint venture contributions received	132,656	203,975
Proceeds from the sale of tenements	-	100,000
Refund of bonds	1,400	16,500
Proceeds from sale of plant and equipment	-	2,273
Payments for plant and equipment and motor vehicles	(16,695)	(30,786)
Net cash used in investing activities	(2,407,861)	(1,079,499)
Cash flows from financing activities		
Proceeds from the issue of shares	4,178,086	1,625,000
Payments for transactions costs relating to the issue of shares	(265,980)	(7,800)
Net cash provided by financing activities	3,912,106	1,617,200
Net increase/(decrease) in cash held	1,011,681	(280,810)
Cash at the beginning of the financial year	1,325,040	1,605,850
Cash at the end of the financial year	2,336,721	1,325,040

The above Statement of Cash Flows should be read in conjunction with the accompanying discussion and analysis and the notes to the concise financial report.

Notes to the Concise Financial Report

FOR THE YEAR ENDED 30 JUNE 2010

1. BASIS OF PREPARATION OF CONCISE FINANCIAL REPORT

(a) Basis of Preparation

The concise financial report has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 'Concise Financial Reports'. The concise financial report, including the financial statements and specific disclosures included in the concise financial report, has been derived from the full financial report of Pioneer Resources Limited ("the Company").

The financial statements and specific disclosures required by AASB 1039 have been derived from the consolidated entity's full financial report for the financial year. Other information included in the concise financial report is consistent with the consolidated entity's full financial report. The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

Pioneer Resources Limited is a company limited by shares and incorporated and domiciled in Australia whose shares are publicly traded on the official list of the Australian Securities Exchange. The financial statements are presented in Australian dollars which is the Company's functional currency.

The financial report has been prepared on the historical cost basis except that the available-for-sale investments are carried at fair value.

A full description of the accounting policies adopted by the consolidated entity may be found in the consolidated entity's full financial report.

These accounting policies have been consistently applied by each entity in the consolidated entity.

The concise financial report was authorised for issue by the Directors on 6th October 2010.

	CONSOLIDATED	
	2010	2009
	\$	\$
2. INCOME/EXPENSES/DIVIDENDS		
(a) Income		
Sales revenue	-	-
Interest revenue	140,760	39,767
Proceeds from sale of tenements	-	100,000
Proceeds from the sale of plant and equipment	-	2,273
Other income	-	15,495
	140,760	157,535
(b) Expenses		
Exploration expenditure written off	834,705	3,947,359
Share based payments expense	121,085	46,043
Rental expense on operating leases	87,683	109,794
Contributions to employees superannuation plans	70,478	66,782
Provision for employee entitlements	49,986	(4,276)
Depreciation	47,335	50,345
(c) Dividends paid or proposed		
Dividends paid or proposed	-	-

Notes to the Concise Financial Report (continued)

FOR THE YEAR ENDED 30 JUNE 2010

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7. CONTINGENT LIABILITIES

There were no contingent liabilities not provided for in the financial statements of the consolidated entity as at 30 June 2010 other than:

Native Title and Aboriginal Heritage

Native Title claims have been made with respect to areas which include tenements in which the consolidated entity has an interest. The consolidated entity is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the consolidated entity or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the consolidated entity has an interest.

8. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen since the end of the financial year any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years, other than market announcements released to the Australian Securities Exchange since balance date which included the following:

Share Placement and Share Purchase Plan

- (i) On 26 August 2010 the Company completed a share placement of 37,856,712 ordinary shares at an issue price of 3 cents which raised \$1,135,701 (before issue costs). The shares were issued to professional and sophisticated investors in accordance with the Corporations Act 2001 and who were clients of Patersons Securities Limited.
- (ii) On 28 September 2010 the Company issued a total of 83,713,424 ordinary shares at an issue price of 3 cents each which raised \$2,511,403 (before issue costs). The shares were issued under a Share Purchase Plan to eligible shareholders which closed on 22 September 2010 significantly oversubscribed.

9. FULL FINANCIAL REPORT

Further financial information can be obtained from the full financial report which is available from the Company, free of charge, on request. A copy may be requested by calling the Company on (08) 9322 6974.

Directors' Declaration

In the opinion of the Directors of Pioneer Resources Limited the accompanying concise financial report of the consolidated entity, comprising Pioneer Resources Limited and its controlled entity for the year ended 30 June 2010, set out on pages 12 to 18.

- (a) has been derived from or is consistent with the full financial report for the financial year; and
- (b) complies with Accounting Standard AASB 1039: *Concise Financial Reports*.

This declaration is made in accordance with a resolution of the Directors.

Signed at Perth this 6th day of October 2010.



D J Crook
Managing Director

Independent Audit Report

TO THE MEMBERS OF PIONEER RESOURCES LIMITED

Report on the Concise Financial Report

The accompanying concise financial report of Pioneer Resources Limited comprises the statement of financial position as at 30 June 2010, the statements of comprehensive income, changes in equity and cash flows for the year then ended and related notes, derived from the audited financial report of Pioneer Resources Limited for the year ended 30 June 2010. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Pioneer Resources Limited for the year ended 30 June 2010. Our audit report on the financial report for the year was signed on 29 September 2010 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information included in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standards AASB 1039: Concise Financial Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion, the concise financial report of Pioneer Resources Limited for the year ended 30 June 2010 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 6 to 9 of the Directors' Report for the year ended 30 June 2010.

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Pioneer Resources Limited for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.

BUTLER SETTINERI (AUDIT) PTY LTD



Lucy P Gardner
Director

Perth

Date: 6th October 2010

Corporate Governance Statement

Pioneer Resources Limited (or “the Company”) is committed to implementing and maintaining the highest standards of corporate governance. In determining what those high standards should involve, the Company has turned to the ASX Corporate Governance Council’s second edition of its *Corporate Governance Principles and Recommendations (August 2007)*. The ASX Listing Rules require the Company to report on the extent to which it has followed the recommendations published by the ASX Corporate Governance Council.

This statement outlines the main corporate governance practices in place during the financial year, which comply with the ASX Corporate Governance Council recommendations unless otherwise stated.

Further information about the Company’s corporate governance practices are set out on the Company’s website at www.PIOresources.com.au.

1. BOARD OF DIRECTORS

1.1 Role of the Board and Management

The Board of Pioneer Resources Limited is responsible for its corporate governance, that is, the system by which the Company and its wholly owned controlled entity (“consolidated entity”) is managed. In governing the consolidated entity, the Directors must act in the best interests of the consolidated entity as a whole. It is the role of senior management to manage the consolidated entity in accordance with the direction and delegation of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the consolidated entity. The Board must also ensure that the consolidated entity complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the consolidated entity.

To assist the Board to carry out its functions, it has developed a Code of Conduct to guide the Directors and key executives in the performance of their roles. The Code of Conduct is detailed in Section 3.1 of this statement and is contained on the Company’s website.

The Board represents shareholders’ interests in developing and then continuing a successful mineral resources business, which seeks to optimise medium to long-term financial gains for shareholders.

The Board is responsible for ensuring that the consolidated entity is managed in such a way to best achieve this desired result. Given the size of the consolidated entity’s exploration activities, the Board currently undertakes an active, not passive role.

The Board is responsible for evaluating and setting the strategic directions for the consolidated entity, establishing

goals for management and monitoring the achievement of these goals. The Managing Director is responsible to the Board for the day-to-day management of the consolidated entity.

The Board has sole responsibility for the following:

- Appointing and removing the Managing Director and any other executive director and approving their remuneration;
- Appointing and removing the Company Secretary/Chief Financial Officer and approving their remuneration;
- Determining the strategic direction of the consolidated entity and measuring the performance of management against approved strategies;
- Reviewing the adequacy of resources for management to properly carry out approved strategies and business plans;
- Adopting operating and exploration expenditure budgets at the commencement of each financial year and monitoring the progress by both financial and non-financial key performance indicators;
- Monitoring the consolidated entity’s medium term capital and cash flow requirements;
- Approving and monitoring financial and other reporting to regulatory bodies, shareholders and other organisations;
- Determining that satisfactory arrangements are in place for auditing the consolidated entity’s financial affairs;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and compliance with legislative requirements; and
- Ensuring that policies and compliance systems consistent with the consolidated entity’s objectives and best practice are in place and that the consolidated entity and its officers act legally, ethically and responsibly on all matters.

The Board’s role and the consolidated entity’s corporate governance practices are being continually reviewed and improved as the consolidated entity’s business develops.

The Managing Director is responsible for running the affairs of the consolidated entity under delegated authority from the Board and implementing the policies and strategy set by the Board. In carrying out his responsibilities the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the consolidated entity’s operational results and financial position.

The role of management is to support the Managing Director and implement the running of the general operations and financial business of the consolidated entity, in accordance with the delegated authority of the Board.

Corporate Governance Statement (continued)

1.2 Composition of the Board

To add value to the consolidated entity, the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties. The names of the Directors and their qualifications and experience are disclosed in the Directors' Report.

Directors are appointed based on the specific governance skills required by the consolidated entity and on the independence of their decision-making and judgement.

The consolidated entity recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr McGown the Non-Executive Chairman, Dr Trench and Mr Spilsbury are all Non-Executive Directors and are also considered independent. From the Company's perspective Directors are considered to be independent when they are independent of management and free from any business or other relationship which could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

If the consolidated entity's activities increase in size, nature and scope the size of the Board will be reviewed and the optimum number of directors required for the Board to properly perform its responsibilities and functions will be re-assessed.

Directors are initially appointed by the full Board subject to election by shareholders at the next Annual General Meeting. Under the Company's Constitution the tenure of Directors (other than Managing Director) is subject to re-appointment by shareholders not later than the third anniversary following their last appointment. Subject to the requirements of the *Corporations Act 2001*, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a Director. A managing director may be appointed for any period and on any terms the Directors think fit and, subject to the terms of any agreement entered into, the Board may revoke any appointment.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the consolidated entity. It is required to do all things that may be necessary to be done in order to carry out the objectives of the consolidated entity.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

1.3.1 Leadership of the Consolidated Entity

Overseeing the consolidated entity and establishing codes that reflect the values of the consolidated entity and guide the conduct of the Board, management and employees.

1.3.2 Strategy Formulation

Working with senior management to set and review the overall strategy and goals for the consolidated entity and ensuring that there are policies in place to govern the operation of the consolidated entity.

1.3.3 Overseeing Planning Activities

Overseeing the development of the consolidated entity's strategic plans (including exploration programmes and initiatives) and approving such plans as well as the annual budget.

1.3.4 Shareholder Liaison

Ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.

1.3.5 Monitoring, Compliance and Risk Management

Overseeing the consolidated entity's risk management, compliance, control and accountability systems and monitoring and directing the operational and financial performance of the consolidated entity.

1.3.6 Consolidated Entity Finances

Approving expenses in excess of those approved in the annual budget and approving and monitoring acquisitions, divestitures and financial and other reporting.

1.3.7 Human Resources

Appointing, and, where appropriate, removing the Managing Director as well as reviewing the performance of the Managing Director and monitoring the performance of senior management in their implementation of the consolidated entity's strategy.

1.3.8 Ensuring the Health, Safety and Well-Being of Employees

In conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the consolidated entity's occupational health and safety systems to ensure the well-being of all employees.

1.3.9 Delegation of Authority

Delegating appropriate powers to the Managing Director to ensure the effective day-to-day management of the consolidated entity and establishing and determining the powers and functions of any sub-committees.

1.3.10 Environmental Management

Developing a policy, and in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the consolidated entity's systems.

Full details of the Board's role and responsibilities are contained in the Board Charter, a summary of which is contained on the Company's website.

Corporate Governance Statement (continued)

1.4 Board Policies

Each member of the Board also supports the following policies in relation to undertaking their individual responsibilities:

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the consolidated entity; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the Corporations Act 2001, absent himself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Independent Professional Advice

The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

1.4.5 Related Party Transactions

Related party transactions include any financial transaction between a Director and the consolidated entity. Unless there is an exemption under the Corporations Act 2001 from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

2. BOARD COMMITTEES

The Board considers that the consolidated entity is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the consolidated entity's activities and to ensure that it adheres to appropriate ethical standards.

2.1 Audit Committee

Due to its size and composition, the Board has not established a separate audit committee as recommended by Recommendation 4.1. However, the external auditor has full access to the Board throughout the year.

In the absence of an audit committee, the Board when required sets aside time at Board meetings to deal with the issues and responsibilities usually delegated to the audit committee so as to ensure the integrity of the financial statements of the consolidated entity and the independence of the external auditor.

The Board in its entirety reviews the audited annual financial statements and the audit reviewed half-yearly financial statements and any reports which accompany published financial statements. The Board also considers the appointment of the external auditor and reviews the appointment of the external auditor, their independence, the audit fee and any questions of resignation or dismissal.

The Board is also responsible for establishing policies on risk oversight and management.

2.2 Remuneration Committee

The Company does not have a remuneration committee in accordance with Recommendation 8.1 because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

The responsibilities of the Board in its entirety include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Managing Director, reviewing the Pioneer Resources Limited Directors', Officers', Employees' and Other Permitted Persons' Option Plan, reviewing superannuation arrangements, reviewing the remuneration of Non-Executive Directors and undertaking an annual review of the Managing Director's performance, including, setting with the Managing Director goals for the coming year and reviewing progress in achieving those goals.

The Company is committed to remunerating its executives in a manner that is market competitive and consistent with best practice as well as supporting the interests of shareholders.

There is no scheme to provide retirement benefits, other than statutory superannuation, to Non-Executive Directors.

Corporate Governance Statement (continued)

For a full discussion of the Company's remuneration philosophy and framework and the remuneration received by Directors in the current period please refer to the Remuneration Report, which is contained within the Directors' Report.

Overall Director Remuneration: Shareholders must approve the framework for any equity schemes if a Director is recommended for being able to participate in such a scheme.

Non-Executive Director Remuneration: Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The maximum aggregate remuneration approved for Non-Executive Directors is currently \$400,000 per annum.

2.3 Nomination Committee

A separate nomination committee has not been formed as required under Recommendation 2.4 as the Board considers the selection and appointment of Directors should be the responsibility of the full Board and that no benefits or efficiencies are to be gained by delegating the function to a separate committee.

The responsibilities of the Board in its entirety include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Board also oversees management succession plans including the Managing Director and his direct reports, and evaluates the Board's performance and makes recommendations for the appointment and removal of Directors.

Directors are appointed based on the specific governance skills required by the consolidated entity. Given the size of the consolidated entity and the business that it operates, the Company aims at all times to have at least one Director with experience in the mining and exploration industry, appropriate to the Company's market.

3. PROMOTING ETHICAL AND RESPONSIBLE DECISION-MAKING

The Board acknowledges the need for continued maintenance of the highest standard of corporate governance practice and ethical conduct by all Directors and employees of the consolidated entity.

3.1 Code of Conduct for Directors and Key Executives

The Board has adopted a Code of Conduct for Directors and key executives to promote ethical and responsible decision-making as per Recommendation 3.1. This code outlines how Pioneer Resources Limited expects its Directors and employees and its related bodies corporate to behave and conduct business in the workplace on a range of issues. The Company is committed to the highest level of integrity and ethical standards in all business

practices. Directors and employees must conduct themselves in a manner consistent with current community and corporate standards and in compliance with all legislation. In addition, the Board subscribes to the Statement of Ethical Standards as published by the Australian Institute of Company Directors.

A summary of the Company's Code of Conduct is also available on the Company's website.

All Directors and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

3.2 Code of Ethics and Conduct

The Company has implemented a Code of Ethics and Conduct, which provides guidelines aimed at maintaining high ethical standards, corporate behaviour and accountability within the Company. A summary of the Company's Code of Ethics and Conduct is also available on the Company's website.

All Directors and employees are expected to:

- respect the law and act in accordance with it;
- respect confidentiality and not misuse Company information, assets or facilities;
- value and maintain professionalism;
- avoid real or perceived conflicts of interest;
- act in the best interests of shareholders;
- by their actions contribute to the Company's reputation as a good corporate citizen which seeks the respect of the community and environment in which it operates;
- perform their duties in ways that minimise environmental impacts and maximise workplace safety;
- exercise fairness, courtesy, respect, consideration and sensitivity in all dealings within their workplace and with customers, suppliers and the public generally; and
- act with honesty, integrity, decency and responsibility at all times.

An employee that breaches the Code of Ethics and Conduct may face disciplinary action. If an employee suspects that a breach of the Code of Ethics and Conduct has occurred or will occur, he or she must advise that breach to management. No employee will be disadvantaged or prejudiced if he or she reports in good faith a suspected breach. All reports will be acted upon and kept confidential.

As part of its commitment to recognising the legitimate interests of stakeholders, the Company has established the Code of Ethics and Conduct to guide compliance with legal and other obligations to legitimate stakeholders. These stakeholders include employees, government authorities, creditors and the community as whole.

Corporate Governance Statement (continued)

4. DIRECTORS' DEALINGS IN COMPANY SHARES

The Company has a formal trading policy as required by Recommendation 3.2 titled: Share Trading Policy. This policy applies to Directors and employees of Pioneer Resources Limited.

The Company's policy imposes basic trading restrictions on all employees of the Company with 'inside information', and additional trading restrictions on the Directors of the Company. A summary of the Company's Share Trading Policy is available on the Company's website.

Directors must notify the Company Secretary as soon as practicable, but not later than 2 business days, after they have bought or sold the Company's securities or exercised options. In accordance with the provisions of the Corporations Act 2001 and the ASX Listing Rules, the Company on behalf of the Directors must advise the ASX of any transactions conducted by them in the securities of the Company.

The policy stipulates that the only appropriate time for a Director or employee to deal in the Company's securities is when they are not in possession of price sensitive information that is not generally available to the market. A Director wishing to deal in the Company's securities may only do so after first having advised the Chairman of his intention. An employee wishing to deal must first notify the Managing Director.

5. INTEGRITY OF FINANCIAL REPORTING

In accordance with the Board's policy, the Managing Director and the Company Secretary/Chief Financial Officer made the attestations recommended by the ASX Corporate Governance Council and section 295A of the Corporations Act 2001 as to the consolidated entity's financial condition prior to the Board signing this Annual Report.

On submission of a set of the Company's financial reports for review by the Board, senior management confirms that to the best of their knowledge and ability the financial reports present a true and fair view in all material aspects of the Company's financial condition and that operational results are in accordance with relevant accounting standards.

Further, the statement made by senior management regarding the integrity of the financial statements also includes a statement regarding risk management and internal compliance and control which influence the policies adopted by the Board.

6. CONTINUOUS DISCLOSURE AND SHAREHOLDER COMMUNICATION

6.1 Continuous Disclosure to ASX

The Company has a formal Continuous Disclosure and Information Policy as required by Recommendation 6.1. This policy was introduced to ensure that Pioneer Resources Limited achieves best practice in complying with its continuous disclosure obligations under the *Corporations Act 2001* and ASX Listing Rules and ensuring the Company and individual officers do not contravene the *Corporations Act 2001* or ASX Listing Rules.

The Managing Director is responsible for interpreting and monitoring the Company's disclosure policy and where necessary informing the Board. Either the Managing Director or Company Secretary is responsible for all communications with ASX.

6.2 Communication with Shareholders

The Company places considerable importance on effective communications with shareholders. The Company's Shareholder Communications Strategy is available on the Company's website.

The Company's communication strategy requires communication with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Company. The strategy provides for the use of systems that ensure a regular and timely release of information about the Company to be provided to shareholders. Mechanisms employed include:

- Announcements lodged with ASX;
- ASX Quarterly Reports;
- Half Yearly Report and Annual Report; and
- Presentations at the Annual General Meeting/General Meetings.

The Board encourages the full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and understanding of the Company's strategy and goals.

The Company's auditor is required to be present, and be available to shareholders, at the Annual General Meeting.

The Company also posts all reports, ASX and media releases and copies of significant business presentations on the Company's website.

Corporate Governance Statement (continued)

7. RECOGNISE AND MANAGE RISK

7.1 Identification of Risk

Risk oversight, management and internal control are dealt with on a continuous basis by management and the Board, with differing degrees of involvement from various Directors and management.

The Board is responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control. The Board has delegated oversight of the risk and internal control policy, including review of the effectiveness of the Company's internal control framework and risk management process, to the Managing Director and his management team in conjunction with the Board.

Areas of strategic, operational, legal, business and financial risks are identified, assessed and monitored to assist the Company to achieve its business objectives, and are highlighted in the Business Plan presented to the Board by the Managing Director each year. The main operational risks have been identified as continuing to adequately fund the consolidated entity's projects, retention of quality staff, commodity prices and exchange rate fluctuations and the generally increasing cost of operations in the exploration and mining industry.

Arrangements put in place by the Board to monitor risk management include monthly reporting to the Board in respect of operations and the financial position of the consolidated entity.

Significant areas of concern are discussed at Board level. When appropriate, experts are invited to address Board meetings on the major risks facing the consolidated entity and to develop strategies to mitigate those risks.

The Board has no formal policy in place to recognise and manage risk as required by Recommendation 7.1, as it considers, in the context of the size and nature of the Company, that it would not improve the present modus operandi.

7.2 Risk Management Roles and Responsibilities

The Board is responsible for reviewing and approving the Company's risk management strategy, policy and key risk parameters, including determining the Group's appetite for major investment decisions.

7.3 Role of External Auditor

The Board seeks to ensure that ensure that the appointment of the external auditor is limited to maintaining the independence of the external auditor and to assess whether the provision of any non-audit services by the external auditor that may be proposed is appropriate.

8. ENCOURAGE ENHANCED PERFORMANCE

Board and management effectiveness are dealt with on a continuous basis by management and the Board, with differing degrees of involvement from various Directors and management, depending upon the nature of the matter.

The Board has no formal policy in place to encourage enhanced performance, as it considers, in the context of the size and nature of the Company, that it would not improve the present modus operandi.

The Board has adopted and undertaken a self-evaluation process to measure its own performance during the financial year. This process included a full review of the performance of the board individually and as a whole, and included a review in relation to the composition and skills mix of the Directors of the Company.

The performance of all Directors is reviewed by the Chairman on an ongoing basis and any Director whose performance is considered unsatisfactory is asked to retire. The Chairman's performance is reviewed by the other Board members.

The Company has established firm guidelines to identify the measurable and qualitative indicators of the Director's performance during the course of the year. Those guidelines include:

- attendance at all Board meetings. Missing more than three consecutive meetings without reasonable excuse will result in that Director's position being reviewed; and
- attendance at the Company's Shareholder Meetings. Non-attendance without reasonable excuse will result in that Director's position being reviewed.

The performance of each Director retiring at the next Annual General Meeting is taken into account by the Board in determining whether or not the Board should support the re-election of the Director. Board support for a Director's re-election is not automatic and is subject to satisfactory Director performance.

Arrangements put in place by the Board to monitor the performance of the Company's executives include:

- a review by the Board of the consolidated entity's financial performance; and
- annual performance appraisal meetings incorporating analysis of key performance indicators with each individual to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the consolidated entity.

Corporate Governance Statement (continued)

9. RECOGNISE THE LEGITIMATE INTERESTS OF STAKEHOLDERS

The Company has introduced a formal Privacy Policy. The Company is committed to respecting the privacy of stakeholders' personal information. This Privacy Policy sets out the Company's personal information management practices and covers the application of privacy laws, personal information collection, the use and disclosure of personal information, accessing and updating stakeholders' information and the security of stakeholders' information.

Other than the introduction of a formal Privacy Policy, the Board has not adopted any other additional formal codes of conduct to guide compliance with legal and other obligations to legitimate stakeholders, as it considers, in the context of the size and nature of the Company, that it would not improve the present modus operandi.

Subject to the exceptions outlined below the Company has adopted the ASX Corporate Governance Council's Principles and Recommendations.

Recommendation Reference	Notification of Departure	Explanation for Departure
2.4	A separate Nomination Committee has not been formed.	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors. Where appropriate independent consultants are engaged to identify possible new candidates for the Board.
4.1, 4.2, 4.3	A separate Audit Committee has not been formed.	The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the identification and management of risk and the review of the operation of the internal control systems.
7.1	A separate Risk Committee has not been formed to establish and document policies for the oversight and management of material business risks.	The Board considers that the Company is not currently of a size to justify the formation of a risk committee. The Board as a whole undertakes the process of reviewing the risks of the Company. Where appropriate independent consultants are also engaged to review identified areas of risk.
8.1	A separate Remuneration Committee has not been formed.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company.
8.2, 8.3	No Formal Policy to encourage enhanced performance	The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the introduction of such policies.

As the Company's activities increase in size, scope and/or nature the Company's corporate governance principles will be reviewed by the Board and amended as appropriate.

ASX Additional Information

Pursuant to the Listing Requirements of the Australian Securities Exchange Limited, the shareholder information set out below was applicable as at 1 October 2010.

A. Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

Distribution	Number of Shareholders
1 – 1,000	73
1,001 – 5,000	183
5,001 – 10,000	233
10,001 – 100,000	1,254
More than 100,000	757
Totals	2,500

There were 567 holders of less than a marketable parcel of ordinary shares.

B. Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below.

Shareholder Name	Issued Ordinary Shares	
	Number of Shares	Percentage of Shares
Xstrata Nickel Australasia Investments Pty Ltd	21,396,935	5.34%

C. Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are listed below:

Shareholder Name	Listed Ordinary Shares	
	Number of Shares	Percentage Quoted
Xstrata Nickel Australasia Investments Pty Ltd	21,396,935	5.34%
Marford Group Pty Ltd	6,666,667	1.66%
Mr Olivier Robert Dupuy & Mrs Julie Elizabeth Dupuy <Enerjee Super Fund>	6,000,000	1.50%
Kurana Pty Ltd <Buchhorn Unit Fund>	5,024,646	1.25%
HSBC Custody Nominees (Australia) Limited	4,930,000	1.23%
J P Morgan Nominees Australia Limited	4,160,000	1.04%
BT Portfolio Services Limited <Warrell Holdings Super Fund AC>	4,000,000	1.00%
Toltech Holdings Pty Ltd	3,723,285	0.93%
Boom Securities (HK) Ltd <Clients Account>	3,194,603	0.80%
Colin John Hough	2,750,000	0.69%
Hazurn Pty Ltd <Buchhorn Super Fund Account>	2,636,077	0.66%
ECS Holdings Pty Ltd <ECS Executive Super Fund AC>	2,614,901	0.65%
Orbit Drilling Pty Ltd	2,019,000	0.50%
Brent Joseph Evitt <B&J BE Fund AC>	1,860,000	0.46%
Mr Lafras Luitingh	1,677,602	0.42%
MBM Corporation Pty Ltd	1,650,086	0.41%
Bremerton Pty Ltd <The Bartlett Family Fund AC>	1,600,000	0.40%
Central Courthouse Pty Ltd <Allwood Williams Super Fund AC>	1,541,495	0.38%
Ionikos Pty Ltd <McGown Super Fund AC>	1,500,000	0.37%
Mr Peter G Alleway & Mrs Colleen G Alleway <Alleway Super Fund AC>	1,500,000	0.37%
	80,445,297	20.06%

ASX Additional Information (continued)

D. Unquoted Options

Options	Number of Options
Unlisted options exercisable at 30 cents each by 30 June 2011	250,000
Unlisted options exercisable at 25 cents each by 30 June 2011	350,000
Unlisted options exercisable at 25 cents each by 31 August 2011	1,000,000*
Unlisted options exercisable at 22 cents each by 8 September 2011	2,400,000
Unlisted options exercisable at 10 cents each by 31 December 2011	2,000,000**
Unlisted options exercisable at 12 cents each by 31 December 2011	2,000,000**
Unlisted options exercisable at 25 cents each by 31 March 2012	200,000
Unlisted options exercisable at 20 cents each by 30 June 2012	750,000
Unlisted options exercisable at 22 cents each by 30 June 2013	750,000
Unlisted options exercisable at 8.5 cents each by 30 November 2013	3,366,665
Unlisted options exercisable at 10 cents each by 30 November 2013	3,341,665
Unlisted options exercisable at 12 cents each by 30 November 2013	3,341,670
Unlisted options exercisable at 8.5 cents each by 31 December 2013	433,333
Unlisted options exercisable at 10 cents each by 31 December 2013	433,333
Unlisted options exercisable at 12 cents each by 31 December 2013	433,334
	21,050,000

* Options held by Xstrata Nickel Australasia Investments Pty Ltd.

** Options held by Heron Resources Limited.

E. Distribution of Unquoted Options

Analysis of numbers of optionholding by size of holding:

Distribution	Number of Optionholders
1 – 1,000	-
1,001 – 5,000	-
5,001 – 10,000	-
10,001 – 100,000	-
More than 100,000	17
Totals	17

F. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Summary of Tenements

Location	Tenement	Holder	Status	Responsible	Notes
Western Australia					
Pioneer Pioneer	E63/1030	Pioneer Resources Limited / Pindan Exploration Company Pty Ltd	G	Panoramic Resources Limited	2a, 2b, 2c, 3
Mt Thirsty South					
Theatre Rocks Theatre Rocks	E63/1182 P63/1838	Pioneer Resources Limited Pioneer Resources Limited	G P	Pioneer Resources Limited Pioneer Resources Limited	
Golden Ridge JV					
Golden Ridge	E26/139	Blair Nickel Mine Pty Ltd	P	Pioneer Resources Limited	4
Golden Ridge	M26/219	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Blair Nickel Mine	M26/220	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Golden Ridge	M26/221	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Golden Ridge	M26/222	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Golden Ridge	M26/225	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Duplex Hill	M26/285	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Duplex Hill	M26/286	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Blair Nickel Mine	M26/384	Blair Nickel Mine Pty Ltd	G	Pioneer Resources Limited	4
Wattle Dam					
Wattle Dam	M15/1101	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam	M15/1263	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam	M15/1264	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam	M15/1323	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam	M15/1338	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Spargoville	M15/1769	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Spargoville	M15/1770	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam	M15/1771	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam	M15/1772	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Wattle Dam North	M15/1773	Ramelius Resources Limited	G	Ramelius Resources Limited	1, 5a, 5b
Larkinville					
Scahill	E15/896	Pioneer Resources Limited	G	Ramelius Resources Limited	6a, 6b
Larkinville	P15/4213	Pioneer Resources Limited / Ramelius Resources Limited	G	Ramelius Resources Limited	6a, 6b
Larkinville	P15/4214	Pioneer Resources Limited / Ramelius Resources Limited	G	Ramelius Resources Limited	6a, 6b
Larkinville	M15/1449	Pioneer Resources Limited / Ramelius Resources Limited	P	Ramelius Resources Limited	6a, 6b
Burnam North	P15/4765	Pioneer Resources Limited	G	Ramelius Resources Limited	6a, 6b
Mt Jewell					
Ringlock Dam	E24/146	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Golden Cities North	E24/149	Pioneer Resources Limited	G	Pioneer Resources Limited	
Golden Cities North	E24/157	Pioneer Resources Limited	G	Pioneer Resources Limited	
Wild Dog	E24/164	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wild Dog	E24/171	Pioneer Resources Limited	P	Pioneer Resources Limited	
Mt Jewell	E27/300	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Silver Swan Northwest	E27/333	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Whitehead Dam	E27/335	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Carr Boyd South	E27/336	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Lindsays Find NW	E27/365	Pioneer Resources Limited	G	Pioneer Resources Limited	
Mulgarrie East	E27/388	Pioneer Resources Limited	G	Pioneer Resources Limited	
Mt Jewell Nth	E27/404	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Mulgarrie North	E27/422	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wild Dog	E27/423	Pioneer Resources Limited	P	Pioneer Resources Limited	
Binti Binti	E27/435	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wild Cat	E27/444	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wishbone South	E27/445	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wishbone South	E27/446	Pioneer Resources Limited	P	Pioneer Resources Limited	
Scotia East	P24/4233	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Scotia East	P24/4234	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Bardoc East	P24/4528	Pioneer Resources Limited	P	Pioneer Resources Limited	
Bardoc East	P24/4529	Pioneer Resources Limited	P	Pioneer Resources Limited	
Silver Swan North	P27/1819	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Silver Swan North	P27/1820	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Silver Swan North	P27/1821	Pioneer Resources Limited	G	Pioneer Resources Limited	1
Mulgarrie North	P27/2017	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wild Dog	P27/2018	Pioneer Resources Limited	P	Pioneer Resources Limited	
Wild Dog	P27/2019	Pioneer Resources Limited	P	Pioneer Resources Limited	
Balagundi					
Lake Perolilli	E27/341	Western Copper Pty Ltd	G	Pioneer Resources Limited	
Balagundi	P25/1945	Western Copper Pty Ltd	G	Pioneer Resources Limited	

Summary of Tenements (continued)

Location	Tenement	Holder	Status	Responsible	Notes
Balagundi continued					
Balagundi	P25/1946	Western Copper Pty Ltd	G	Pioneer Resources Limited	
Balagundi	P25/1947	Western Copper Pty Ltd	G	Pioneer Resources Limited	
Balagundi	P25/2057	Western Copper Pty Ltd	G	Pioneer Resources Limited	
Balagundi	P25/2058	Western Copper Pty Ltd	G	Pioneer Resources Limited	
Acra					
Horseshoe Dam	E25/381	Western Copper Pty Ltd	G	Pioneer Resources Limited	
Gundocketa Hill	E25/452	Pioneer Resources Limited	P	Pioneer Resources Limited	
Gundocketa Hill	E27/438	Pioneer Resources Limited	P	Pioneer Resources Limited	
Lady of the Lake	E28/1783	Pioneer Resources Limited	G	Pioneer Resources Limited	8
Gundocketa Hill	E28/1977	Pioneer Resources Limited	P	Pioneer Resources Limited	
Jungle Hill	E31/872	Pioneer Resources Limited	G	Pioneer Resources Limited	12
Kurnalpi	P28/1237	Pioneer Resources Limited	P	Pioneer Resources Limited	
Maggie Hayes Hill JV					
Maggie Hayes Hill	E63/625	Pioneer Resources Limited /Lake Johnston Limited	G	Lake Johnston Limited	9
Acra JV					
Sampson	E27/273	Pioneer Resources Limited / Xstrata Nickel Australasia Operations Pty Ltd	G	Xstrata Nickel Australasia Operations Pty Ltd	11, 12
Kalpini	E27/278	Pioneer Resources Limited / Xstrata Nickel Australasia Operations Pty Ltd	G	Xstrata Nickel Australasia Operations Pty Ltd	11, 12
Acra	E28/1223	Pioneer Resources Limited / Xstrata Nickel Australasia Operations Pty Ltd	G	Xstrata Nickel Australasia Operations Pty Ltd	11, 12
Jubilee	E28/1746	Pioneer Resources Limited / Xstrata Nickel Australasia Operations Pty Ltd	G	Xstrata Nickel Australasia Operations Pty Ltd	11, 12
Jubilee Southeast	E28/2109	Pioneer Resources Limited / Xstrata Nickel Australasia Operations Pty Ltd	P	Xstrata Nickel Australasia Operations Pty Ltd	11
Jubilee	P28/1120	Pioneer Resources Limited / Xstrata Nickel Australasia Operations Pty Ltd	G	Xstrata Nickel Australasia Operations Pty Ltd	11
Ravensthorpe					
Ravensthorpe	E74/399	Western Copper Pty Ltd	G	Tectonic Resources NL	14a, 14b
Ravensthorpe	E74/406	Western Copper Pty Ltd	G	Tectonic Resources NL	7, 14a, 14b
Everdton Sth	M74/162	Galaxy Resources Ltd	P	Tectonic Resources NL	14a, 14b
Desmond	M74/163	Pioneer Resources Ltd	G	Tectonic Resources NL	14a, 14b
Mt Desmond	P74/259	Western Copper Pty Ltd	G	Tectonic Resources NL	14a, 14b
Elverdton South	P74/260	Western Copper Pty Ltd	G	Tectonic Resources NL	14a, 14b
Hecla	P74/304	Pioneer Resources Ltd	G	Tectonic Resources NL	14a, 14b
Fed	P74/305	Pioneer Resources Ltd	G	Tectonic Resources NL	14a, 14b
Fed	P74/306	Pioneer Resources Ltd	G	Tectonic Resources NL	14a, 14b
Eastern States					
Tasmania					
Heazlewood	E31/2003	Bass Metals Limited	G	Bass Metals Limited	15
Whyte River	E36/2003	Bass Metals Limited	G	Bass Metals Limited	15

NOTES

- 1 Heron Resources Limited retains pre-emptive right to purchase Nickel Laterite Ore
- 2a BHP Billiton Minerals Pty Ltd has a right to negotiate an off-take agreement for nickel
- 2b Gold Fields Australia Pty Ltd has a right to negotiate an off-take agreement for gold over part of tenement
- 2c Royalty of \$2/tonne of ore mined payable to Oroya Mining and Exploration Pty Ltd over part of tenement
- 3 Pioneer Resources Limited 20%, Pindan Exploration Company Pty Ltd 80%.
- 4 Golden Ridge JV with Australian Mines Limited: Pioneer has earned 56% and both parties contribute to Joint Venture
- 5a Wattle Dam JV Agreement: Title, Gold and Tantalum Rights held by Ramelius Resources Limited
- 5b Ramelius has purchased an 80% interest in Pioneer Resources Limited's nickel rights subject to \$800,000 of expenditure
- 6a Larkinville JV Agreement: Ramelius right to earn 75% in Gold and Tantalite subject to \$750,000 of expenditure
- 6b Ramelius has purchased an 80% interest in Pioneer Resources Limited's nickel rights subject to \$200,000 of expenditure
- 7 Pioneer beneficial holder
- 8 Pioneer all mineral rights except gold which is held by Royce William Allen
- 9 Maggie Hays Lake JV Agreement: Lake Johnston Ltd 80% Pioneer 20% & free carried interest to commencement of mining
- 11 Acra JV Agreement: Xstrata Nickel Australasia Operations Pty Ltd holds 60% with right to earn 80%
- 12 Heron retains nickel laterite ore
- 14a Ravensthorpe: Mineral Resources Limited option to acquire Fe and Mn rights. Pioneer may receive a royalty based on a formula
- 14b Ravensthorpe: Title and rights to all minerals except Fe and Mn held by Tectonic resources NL. Pioneer 1.5% NSR
- 15 Heazlewood and Whyte River Royalty Agreement with Bass Metals Ltd and Venture Minerals Limited. Pioneer to receive a 2% NSR royalty



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