



ABN 44 103 423 981

ANNUAL TECHNICAL SUMMARY 2009

Dear Shareholder

The Directors of Pioneer Resources Limited are pleased to present the Annual Technical Summary for 2009, opening with the observation that the Company has emerged strongly from the global financial crisis and the funding challenges that it presented to exploration companies.

Key Events From the Year Include:

- **High Grades Intersected in Drilling at the Lignum Dam Gold Project:**

With the significance of this project now established, the Company will continue drilling to discover additional mineralisation and plans to fast track the Lignum Dam Gold Project as its lead project to a point where development decisions can be considered.

- **Successful Capital Raisings Completed:**

The Company acknowledges the support provided by shareholders throughout the year, and now holds over \$4.5 million in cash. This ensures that substantial programs of drilling will continue at Lignum Dam.

- **Additional Gold Targets have been Generated Within the Company's Large Tenement Holding North of Kalgoorlie, WA:**

Targets will be progressively evaluated providing opportunity for the Lignum Dam Gold Project to significantly grow.

- **A Change of Name Reflects a Change in Focus:**

Pioneer Resources Limited better reflects that the Company is now primarily a gold-focused explorer, albeit with a large tenement portfolio that is prospective for a number of commodities.

Corporate Snapshot: 9 October 2009

Share Pricet: A\$0.060

Market Cap (at \$0.060): A\$16.74M

Issued Capital: 279.04 million Shares
11.85 million Options

Cash and receivables: Approx \$4.6M

Directors:

Craig McGown (*Non-Executive Chairman*)

David Crook (*Managing Director*)

Allan Trench (*Non-Executive Director*)

Company Secretary:

Julie A Wolseley

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Butler Settinari (Audit) Pty Ltd

Unit 16, First Floor,

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Share Registry:

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770 Canning Highway,

Applecross, Western Australia, 6153

Telephone: (08) 9315 2333

Facsimile: (08) 9315 2233

Email: registrar@securitytransfer.com.au

Securities Exchange Listing:

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

The Home Exchange is Perth.

ASX Code: PIO



Chairman's Letter

I am pleased to present to you this report following my first year as Chairman of your Company, a year which has seen some dramatic changes in, and challenges arising from, the global equities and commodity markets.

This year your Board was required to enact an appropriate strategy to minimize the impact of these external market-driven events on the Company. As a consequence the exploration team was reduced to a core of very committed and competent professionals who have continued to progress your Company's projects. Our geologists have achieved considerable success, particularly at the Lignum Dam Gold Project.

Despite the extraordinary market conditions, your Company successfully completed capital raisings totalling \$5.8 million, including the recent placement for \$3.0 million. The Company is now well funded, with a clear focus for its exploration activities for the forthcoming year.

Consistent with its new project focus, on 17 July, 2009 your Company changed its name to Pioneer Resources Limited.

I would like to thank both our staff led by our Managing Director, David Crook, and Board of Directors for their considerable efforts in the year under review.

I would also like to thank Peter Langworthy for his significant contribution as a Non-executive Director while representing Xstrata Nickel Australasia Pty Limited. Peter has left Xstrata and consequently Pioneer, and I would ask you to join with me in wishing him all the best for the future.

I thank you for your support during this year and I hope to be in a position to advise further of your Company's considerable progress when I report to you this time next year.

Craig McGown
Chairman



Managing Director's Letter

Within the past 12 months capital markets have gone from being shut to optimistically open.

While your Company reduced its discretionary spending through a variety of means, the Directors decided that hibernating was not the answer. Throughout the past year Pioneer raised sufficient funds to continue field exploration programs, which included over 13,000m of drilling on our most promising projects, and significant drilling results were returned, in particular from the Lignum Dam Gold Project.

The return of high-grade gold results from reverse circulation drilling, including **18m at 5.85g/t Au**, has provided the Company with a clear path for the forthcoming year. The Company will focus its activities at the Lignum Dam gold discovery and with sufficient funds available, has planned a comprehensive program of drilling for the forthcoming year.

The Company will continue to undertake lower key exploration campaigns on other projects, and work programs are committed for the Acra, Golden Ridge and Ravensthorpe Projects, ensuring that Pioneer maintains an active pipeline of quality exploration projects.

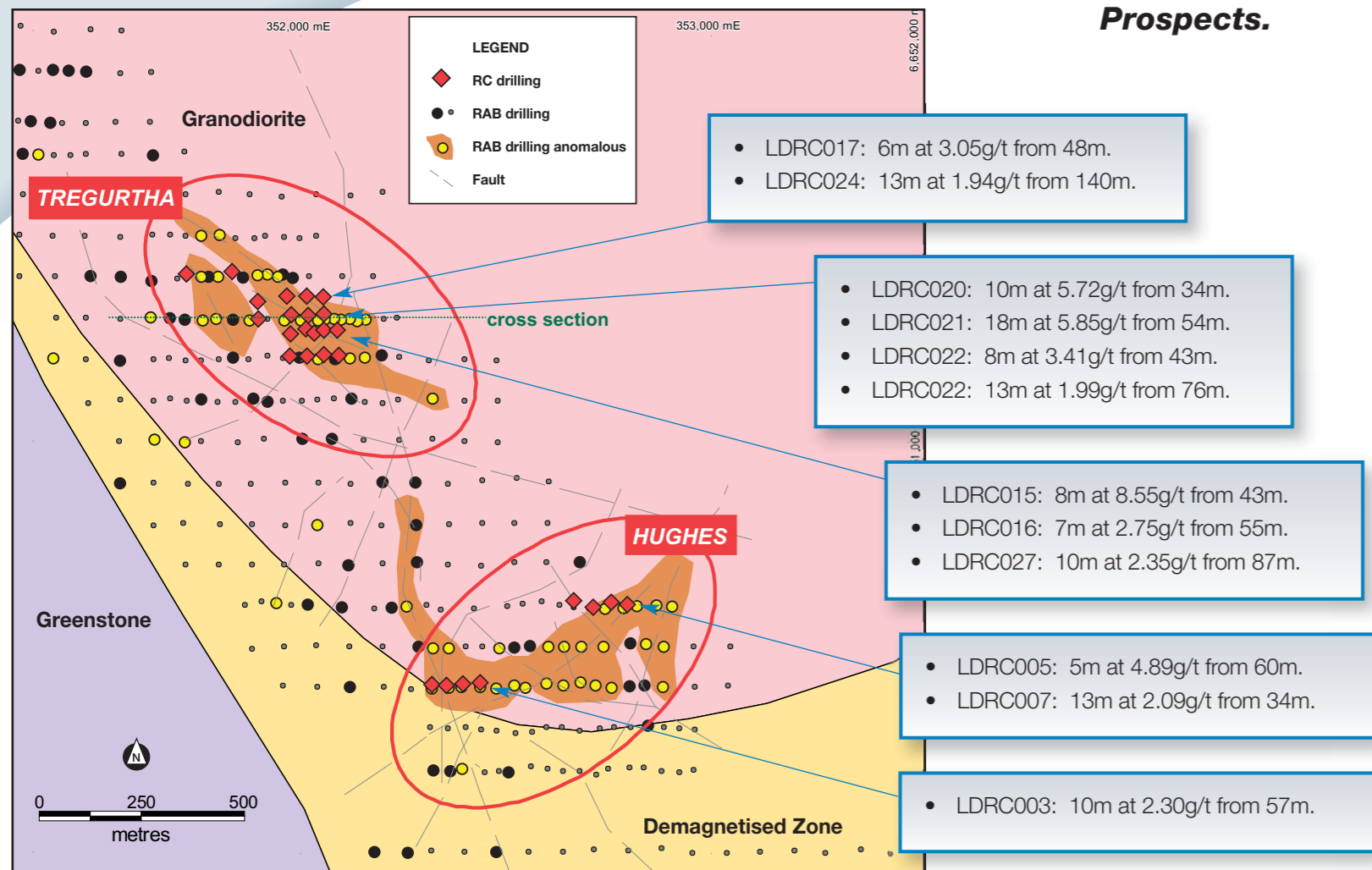
David Crook
Managing Director



Lignum Dam: An Emerging Gold Project

Pioneer Resources Limited is exploring for metal deposits predominantly in the Eastern Goldfields of Western Australia. Following recent drilling success, the Company's priority is the Lignum Dam gold discovery.

Exceptional Drilling Results Have Been Returned from Tregurtha and Hughes Prospects.



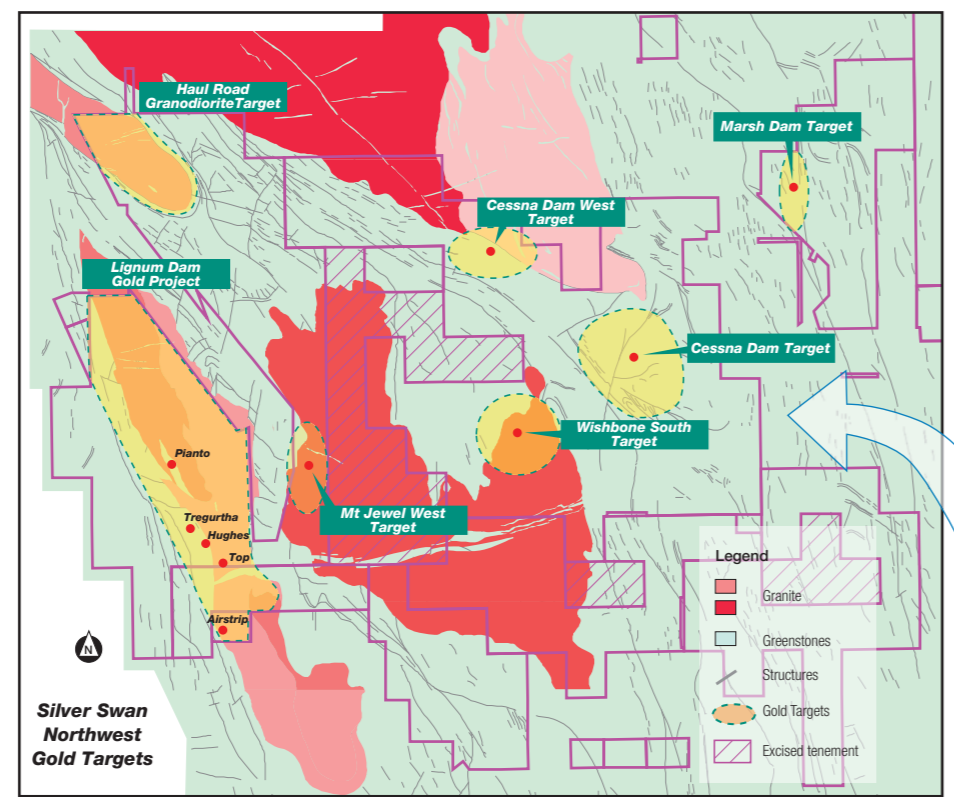
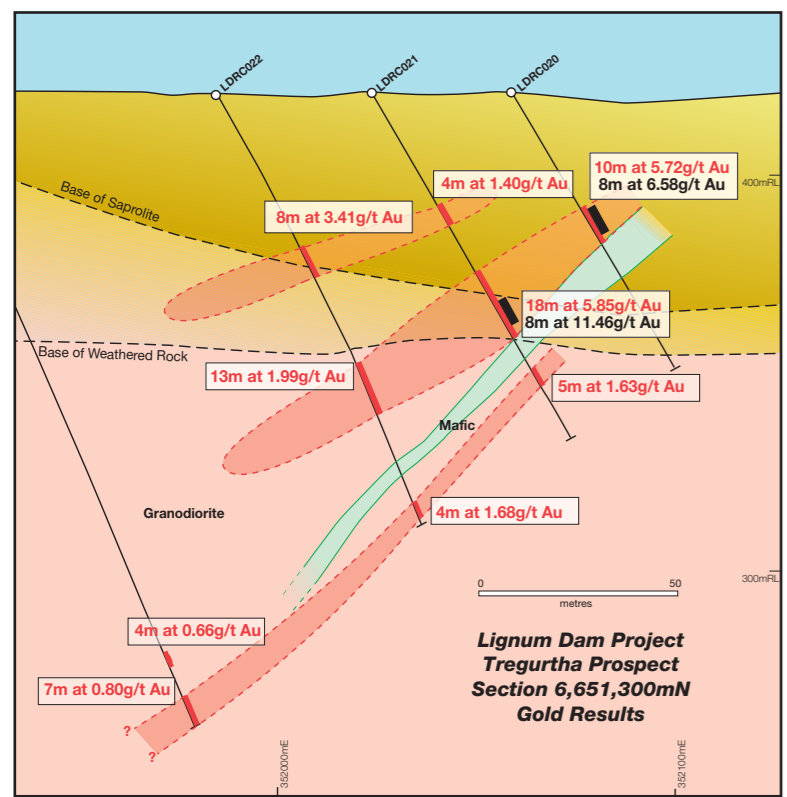
- LDRC017: 6m at 3.05g/t from 48m.
- LDRC024: 13m at 1.94g/t from 140m.

- LDRC020: 10m at 5.72g/t from 34m.
- LDRC021: 18m at 5.85g/t from 54m.
- LDRC022: 8m at 3.41g/t from 43m.
- LDRC022: 13m at 1.99g/t from 76m.

- LDRC015: 8m at 8.55g/t from 43m.
- LDRC016: 7m at 2.75g/t from 55m.
- LDRC027: 10m at 2.35g/t from 87m.

- LDRC005: 5m at 4.89g/t from 60m.
- LDRC007: 13m at 2.09g/t from 34m.

- LDRC003: 10m at 2.30g/t from 57m.



Lignum Dam Gold Project (PIO 100%, Gold)

- Located 55km NE of Kalgoorlie, WA.
- High grade gold mineralisation intersected in drilling at the Tregurtha and Hughes Prospects.
- Mineralisation remains open along strike and down dip at both prospects.
- In a number of holes, multiple zones of mineralisation were intersected.
- From the first drilling program, 21 of the 27 holes drilled intersected significant gold mineralisation.
- Several regional gold targets have been identified by the Company near Lignum Dam with their prospectivity enhanced in light of the Tregurtha and Hughes discoveries.

Project Status

The Lignum Dam Gold Project is a gold discovery made by Pioneer. RAB drilling was used to test soil geochemical anomalies, resulting in the identification of the Tregurtha and Hughes Prospects. Pioneer has now completed the first round of deeper reverse circulation and diamond drilling, confirming the presence of significant gold mineralisation.

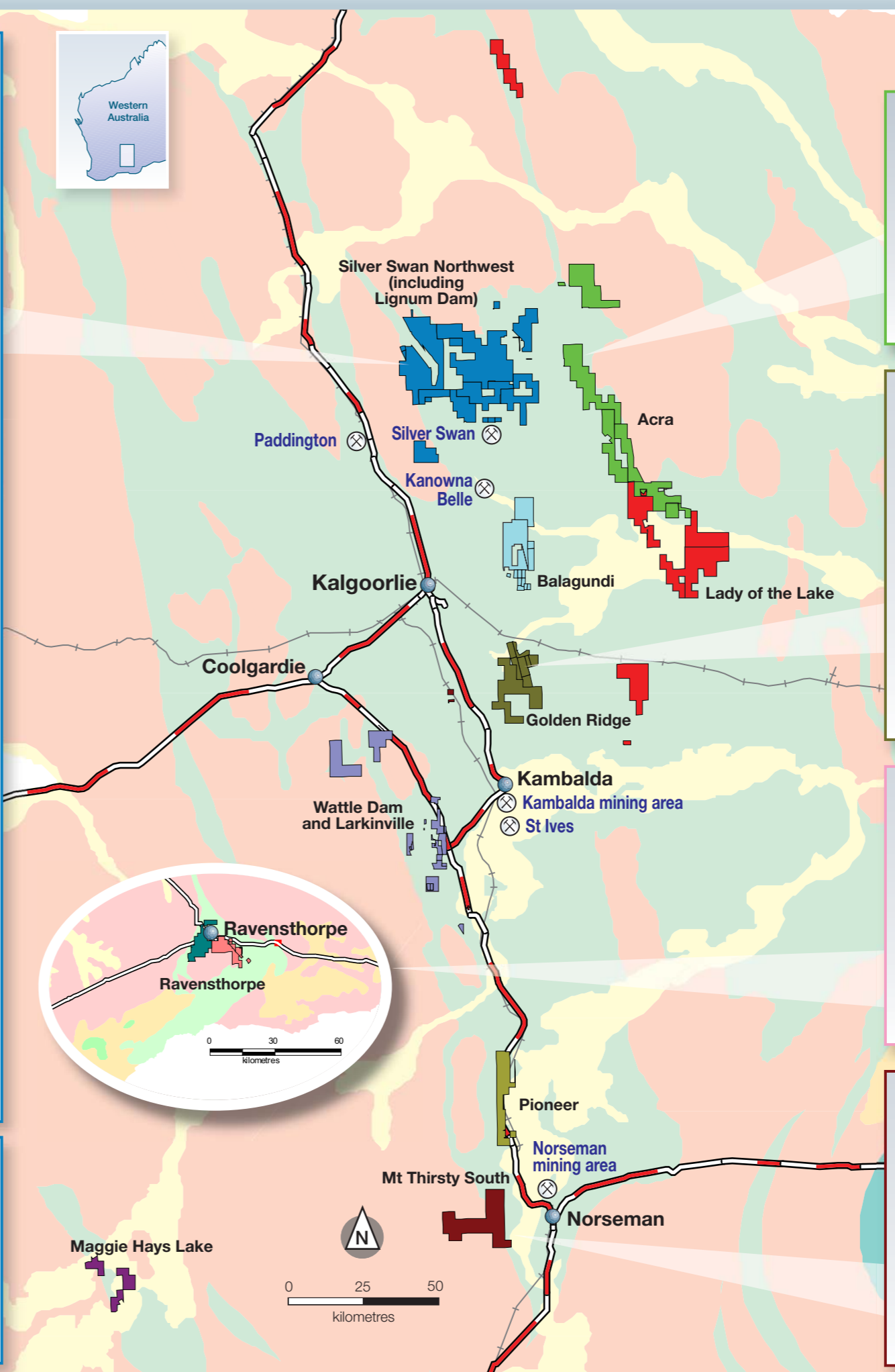
Gold mineralisation is located entirely within zones of sheared and altered granodiorite. This environment is analogous to the setting of the Federal and Golden Cities Gold Mines, hosted in the Scotia Granodiorite, located 15km to the south-southwest.

Outlook

As statutory approvals are received, the Company plans to complete substantial drilling programs at the Tregurtha and Hughes Prospects utilising both reverse circulation and diamond drilling machinery. The next project update, including drill results, is expected before the end of 2009.

The results are expected to be used in the estimation of Inferred or Indicated Mineral Resources, and supply material for metallurgical test work, leading into a scoping study to provide guidance for the financial viability of the Project.

The Company holds a 100% interest in a very large tenement portfolio, exceeding 1,000 km², within a radius of 100km of Kalgoorlie, WA. Additional gold and base metal targets have been identified by Company geologists within these tenements, much of it from open file geochemical data and historic records, and systematic drill testing of these will commence during 2010.



Pioneer Maintains an Active Pipeline of Quality Exploration Projects

Acra JV Project (PIO 40%, Xstrata Nickel Australasia Pty Ltd 60%, Nickel)

- Located 75km NE of Kalgoorlie, WA.
- Project is fully funded by Xstrata. Xstrata may earn up to 80% in the Project. Project exploration is managed by Pioneer.
- Recent drilling at Jubilee West intersected a mineralised basal ultramafic contact.
- Mapping, geochemistry and EM surveys have generated drill targets.
- **Outlook:** Diamond drilling will test the Jubilee West Prospect and two other targets for the presence of nickel minerals.

Golden Ridge JV Project (PIO 56%, AUZ 44%, Nickel)

- Located 30km SE of Kalgoorlie and 30km N of Kambalda, WA.
- The Leo Dam ultramafic contact is the priority target with strongly anomalous Ni-Cu-PGE drill intercepts returned from the last round of aircore drilling.
 - 70m at 0.60% Ni, 658ppm Cu and 344ppb PGE.
 - 44m at 0.70% Ni, 1,095ppm Cu and 452ppb PGE.
 - 73m at 0.53% Ni, 468ppm Cu and 202ppb PGE.
 - 47m at 0.61% Ni, 327ppm Cu and 228ppb PGE.
- The Central ultramafic contact, with over 5km of strike, has additional targets.
- **Outlook:** A diamond drill hole will test ultramafic stratigraphy and the nature of the basal contact at Leo Dam. EM surveys will test basal contacts at Leo Dam, near the Blair Mine and the Central Ultramafic for conductors that might include massive nickel sulphides.

Mt Chester Prospect (Ravensthorpe JV Project) (PIO 75%, GXY 25%, Manganese)

- Located 10km SE of Ravensthorpe, WA.
- High-grade manganese-rich mineralisation outcrops over a strike of 500m.
 - Rock chips commonly assay between 30% and 49% Mn.
- Manganese soil geochemistry anomalies identified north of known mineralisation. South has not been sampled yet.
- Adit sampling conducted in the 1980s returned 15m at 17.7% Mn.
- **Outlook:** First target is drill-ready. Strike extensions will have soil geochemistry completed.

Mt Thirsty South Project (PIO 100%, Cobalt-Nickel-Manganese)

- Located 150km S of Kalgoorlie, WA.
- Results from orientation RAB drilling successfully confirmed Co mineralisation.
 - 6m at 1,532ppm Co, 0.35% Ni, 1.04% Mn.
 - 3m at 4,634ppm Co, 0.26% Ni, 5.80% Mn.
- Anomalous Cu and PGE may indicate that ultramafic rocks are prospective for nickel sulphide mineralisation.
- Strongly anomalous RAB sample assays included up to 653ppm Cu and 535ppb PGE.
- **Outlook:** The next step is detailed geological mapping.



Company Strategy

Pioneer believes that medium to long-term growth will be delivered via genuine discovery. This may be achieved from within the Company's extensive tenement portfolio or from strategic tenement acquisitions made within Australia. The Company has reached a watershed point in its history following the discovery of gold within its 100%-held Lignum Dam Project.

The Company's business plan includes:

- Exploration priority is the Lignum Dam Gold Project and immediate surrounding tenements.
- Capital value increase achieved through further exploration discovery.
- Complementary growth through targeted expenditure-based acquisitions.
- Sufficient funds will be raised to permit in-ground exploration programs.
- Ranking projects for a 'develop or divest' decision will see equity in some projects divested.

The Company believes that its decision to explore within its substantial tenement portfolio is now proving itself following the discovery of gold at Lignum Dam. But promising results don't stop there. Within a 50km radius of Lignum Dam, Pioneer has identified six more gold-in-soil anomalies which are ready for RAB drilling. The Company also has drill-ready manganese and nickel sulphide targets; and advancing copper lead zinc targets.

The process that Pioneer employs includes fully compiling historical data and then updating it with new geochemistry, mapping areas of significance and synthesising the information into the most up-to-date ore genesis models prior to drilling.

Pioneer's advantage is provided through a thorough knowledge of the Kalgoorlie, WA, district. We hold a large tenement portfolio in this world-class gold field, and we spend a good proportion of our time on the ground.

Glossary

"Diamond Drilling" or "Core Drilling" is a drilling technique which uses a diamond-set drill bit to produce a cylindrical core of rock.

"EM" means electromagnetic, a geophysical survey technique used to locate conductive rocks which may host nickel sulphide mineralisation. There are a number of configurations of transmitters, receivers and processing available depending on the application.

"g/t" means grams per tonne (used for precious metals) and is equivalent to ppm.

"ppm" means 1 part per million by weight.

"RAB" means rotary air blast, a cost-effective drilling technique used to geochemically sample weathered rock.

"RC" means reverse circulation, a drilling technique that is used to return uncontaminated pulverised rock samples through a central annulus inside the drill pipes. RC samples can be used in industry-standard Mineral Resource statements.

"Au" means gold.

"Co" means cobalt.

"Cu" means copper.

"Mn" means manganese.

"Ni" means nickel.

"Pd" means palladium.

"Pt" means platinum.

"PGE" means platinum group elements. Here it means Pt+Pd.

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a member of the Australasian Institute of Mining and Metallurgy and is a Competent Person with over 20 years experience in the minerals industry, including the activity reported. This person consents to the inclusion of this information in the form and context in which it appears in this report.



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