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Pioneer Resources Limited (ASX: PIO)

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 31 MARCH 2016

29 April 2016, Pioneer Resources Limited ("Pioneer" or the "Company" (ASX:PIO)) implemented a major change in its growth strategy during the quarter with a diversification into another key, demand driven commodity, resulting in the establishment of a portfolio of quality lithium projects in Western Australia and Canada. Lithium currently has the fastest consumption growth-trajectory of all strategic metals, due to its burgeoning use in the clean, hybrid-fuel automotive industry, and the emerging home power storage industry.

MAVIS LAKE Lithium Project – Spodumene Pegmatites in Ontario, Canada

- Option Agreement to acquire an 80% interest in the Mavis Lithium Project
- High grade Drilling intersections from 2011 and 2012: 2.53 % Li₂O at Fairservice and 1.51% Li₂O at Mavis Lake prospects
- Field work to commence in June 2016: ground magnetic and soil geochemistry surveys, and drilling

PHILLIPS RIVER Lithium Project – ~100km east of Mt Cattlin Lithium Mine in Great Southern, WA

- Two exploration licences pegged over an area of ~292 km² considered prospective for lithium
- Two standout lithium anomalies supported by modified pegmatite PEG-4 index values initially evident

DONNELLY Lithium Project – in world class Greenbushes Minerals District in WA

- Option Agreement to acquire a 90% interest in the Donnelly Lithium Project
- Located between 12km to 60km from the world class Greenbushes Lithium Mine - the Greenbushes Mineral Field hosts the world's largest pegmatite hosted lithium resource

PIONEER DOME Lithium Project – Mineralized Pegmatites in the Eastern Goldfields

- Holds an area of ~300 km² covering 13 outcropping pegmatite clusters over a 20km strike length
- Lithium mineralisation identified in rock chip samples - confirms the presence of LCT pegmatites

ACRA Gold Project – New Shallow, High Grade Gold Intersections in Aircore Drill holes

- Drilling extends Kalpini South target by 60%, to a strike length of 240m. Extension has coincident EM conductor likely detecting pyrite-arsenopyrite sulphides – the host to primary gold at Kalpini South
- Drilling generates new targets, highlighting potential for further gold discoveries, including: KPAC078: 21m at 1.0g/t Au, including 3m at 4.6g/t Au from 42m, at the Deep River Prospect.

CORPORATE

- At 31 March 2016 the Company had cash reserves of \$2.05 million and no debt.
- During the quarter the Company subscribed for 1.25 million common shares in International Lithium Corporation (TSX.V:ILC) at an issue price of C\$0.08 per share with 625,000 free attaching option warrants which are exercisable at C\$0.12 per option by 16 March 2019.

The ILC investment cost C\$100,000 and at 28 April 2016 the common shares had a market value of C\$375,000 and the options were in the money by approximately C\$140,000. Both classes of securities are escrowed to mid July 2016.

- During the quarter, Pioneer completed a share placement (announced to ASX 24 March 2016) to professional and sophisticated investors of Sanlam Private Wealth Management and Bell Securities Limited by issuing 161,000,000 fully paid ordinary shares in the Company at an issue price of 1.0 cents per share raising \$1,610,000 (before issue costs).
- On the 29 April 2016 the Company announced that it had undertaken a share placement with professional and sophisticated investors of Sanlam Private Wealth Management by issuing 19,096,318 ordinary shares at an issue price of 2.4 cents per share raising \$458,312 (before issue costs).
- With effect from 1 February 2016 the Managing Director and Non-Executive Directors agreed to a 15% reduction in their annual remuneration reflecting market conditions and cost efficiency programs.

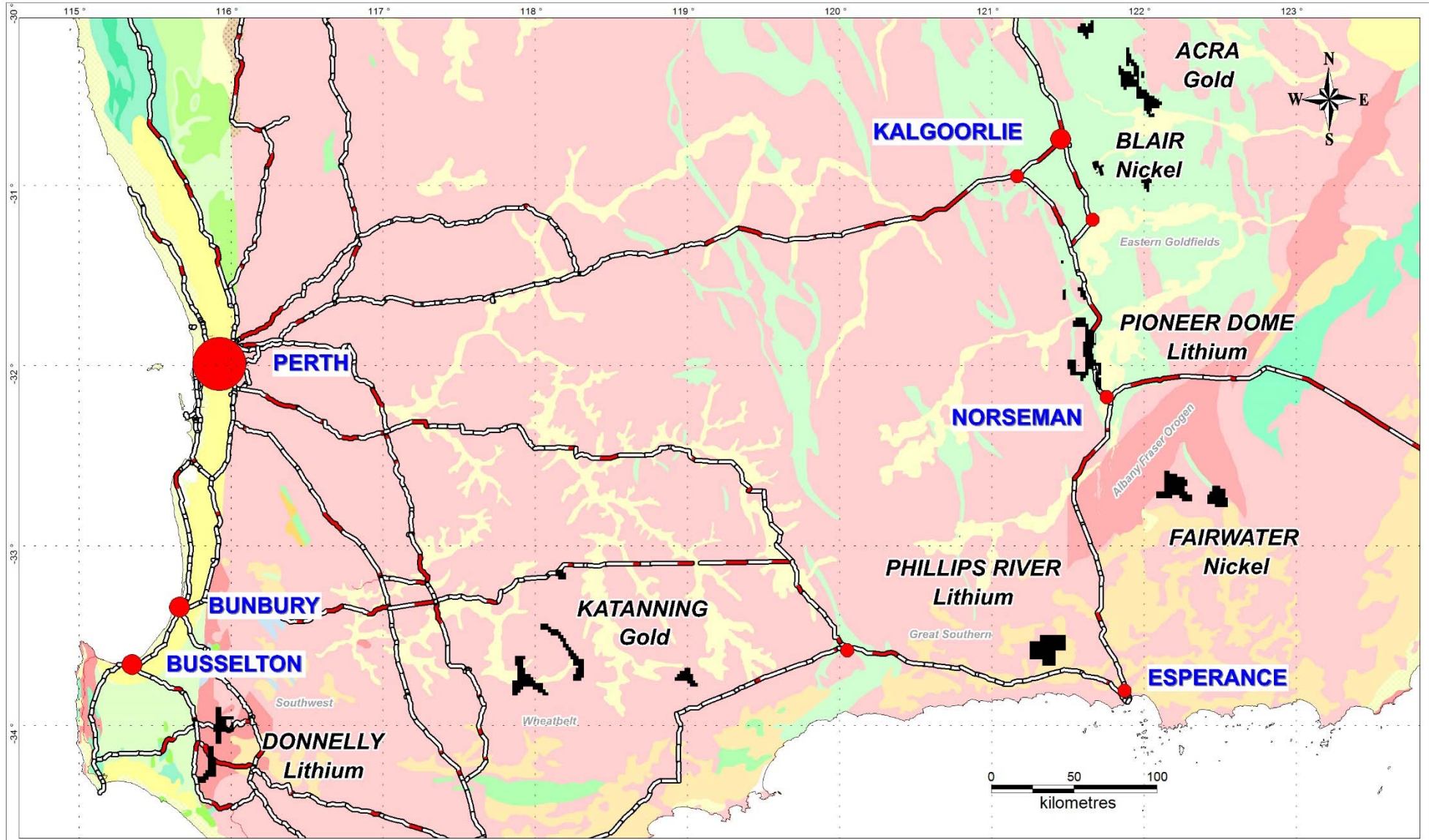


Figure 1: Pioneer Resources Limited Western Australian Tenement Location Plan. Further tenement information is listed in Appendix 1.

EXPLORATION REVIEW: MARCH 2016.

The Company's exploration strategy is to focus on key global demand-driven commodities. This is reflected in Pioneer's portfolio of strategically located gold, lithium and other commodity projects in mining regions in WA, plus a its high quality lithium assets in Canada.

Mavis Lithium Project

Pioneer Option to earn up to 80%. Lithium.

Located in the Canadian Province of Ontario, the Company has entered into an Option Agreement and is presently nearing the completion of a 3 month exclusivity and due diligence period, following which it may elect to earn up to an 80% interest in the Mavis Lithium Project, (ASX announcement, 15 March 2016), with its strategic alliance partner, International Lithium Corp. ("ILC") (TSX.V:ILC). The Mavis Lithium Project covers an area of 2624 hectares.

The Agreement, which, provides Pioneer with Immediate, direct exposure to the lithium sector through equity in the Mavis Lithium Project, which has known, strongly mineralised, lithium (spodumene) - bearing pegmatites of the Lithium-Caesium-Tantalum (LCT) geochemical family.

Diamond drilling undertaken in 2011 and 2012 intersected high-grade lithium-bearing spodumene pegmatites over a strike length of 800 metres at the Fairservice Prospect, and confirmed lithium endowment at the Mavis Lake Prospect. Highlight drilling intersections include:

Table 1: Highlight Drilling Intersections.*

• MF-11-08: 7m at 1.83% Li ₂ O from 4m	• MF-12-25: 5.15m at 1.75% Li ₂ O from 130.7m
• MF-11-09: 7.8m at 1.86% Li ₂ O from 18.85m	• MF-12-28: 6m at 2.53% Li ₂ O from 6m
• MF-11-12: 16m at 1.53% Li ₂ O from 125m	• MF-12-30: 6.95m at 1.45% Li ₂ O from 32.25m
• MF-11-12: 26.25m at 1.55% Li ₂ O from 152m	• MF-12-33: 3m at 2.26% Li ₂ O from 22m
• MF-11-13: 5m at 1.44% Li ₂ O from 19m	• MF-12-34: 5m at 1.5% Li ₂ O from 24m
• MF-11-14: 3m at 2.15% Li ₂ O from 24m	• MF-12-36: 6m at 1.48% Li ₂ O from 31m
• MF-12-24: 16.4m at 1.86% Li ₂ O from 161.9m	• MF-11-15: 5.35m at 1.51% Li ₂ O from 78.4m*

* All widths listed are drill core widths and have not been converted into true width. Appropriate rounding of Li₂O values applied.

** To date only 3 holes have been drilled at the Mavis Lake 18 Pegmatite, including MF-11-15.

WORK PROGRAMS

Field work is scheduled to commence in June 2016.

- Ground magnetic survey: Orientation work indicates that pegmatites present as magnetic lows, and modern magnetic data may better identify blind, but near surface, pegmatite mineralisation;
- Soil geochemistry: Used previously to successfully identify lithium-bearing pegmatites. Rare-metal geochemistry (Li, Cs, Rb, Nb and Ta) coupled with geological, structural and the new geophysical data will be the key to new-target generation; and
- Drilling to identify new, and further define known, spodumene occurrences. Work programs are scheduled to start in June 2016.

For additional information, please refer to announcements to ASX dated 15 March 2016 and 20 April 2016.

Phillips River Lithium Project

Pioneer 100%. Lithium.

Subsequent to the end of the quarter, the Company announced that it had pegged the Phillips River Lithium Project, located approximately 100km east of the Mt Cattlin Lithium Mine, Ravensthorpe, in WA (ASX announcement, 6 April 2016) (*Figure 1*).

This Project comprises 2 exploration licence applications covering approximately 292km² over areas considered prospective for lithium-hosting LCT pegmatites.

LITHIUM TARGETS IDENTIFIED USING GEOSCIENCE AUSTRALIA DATASET

The Project was generated through interrogating Geoscience Australia datasets, which included a stream sediment sample taken from the Lort River catchment that contained the **highest lithium value from a stream sediment sample in Australia**.

Sampling by a previous explorer 'upstream' of the Lort River sample site included a suite of assays for lithium as part of a broader suite of elements. This information indicated two standout lithium anomalies supported by modified pegmatite PEG-4 index values (Smith et al, 1987).

WORK PROGRAMS

Following the grant of the tenements, expected during the third quarter of 2016, work programs are likely to include:

- Further multi-element geochemistry to constrain what are presently large, open targets;
- Aeromagnetic surveys. Pegmatites are much less magnetic when compared to the host mafic volcanic country rocks;
- Mapping within resultant targets. Much of the tenement area has been cleared for cropping, making access easy; and
- Drilling following the grant of the tenements.

For additional information, please refer to the announcement to ASX dated 6 April 2016.

Donnelly Lithium Project

Pioneer Option to earn up to 90%. Lithium.

Subsequent to the end of the quarter, Pioneer entered into an Option Agreement to acquire a 90% interest in the Donnelly Lithium Project, in the Greenbushes Mineral Field in south-west WA (ASX announcement, 26 April 2016) (*Figure 1*).

The Project extends from 12km to 60km southwest of the world class Greenbushes Lithium Mine, and comprises two exploration licence applications (E70/4826 and E70/4829) covering a total area of approximately 220km². The Greenbushes pegmatites host the largest pegmatite lithium resource in the world. At December 2012 Mineral Resources totalled 118.4Mt at 2.4% Li₂O (Ingham et al).

LITHIUM TARGETS IDENTIFIED AND EXPLORATION STRATEGY

Lithium and other elements associated with LCT pegmatites are evident as anomalies in sampling undertaken by the Geological Survey of Western Australia. To date no follow up exploration has been completed.

Most of the Project is covered with laterite - which is known to degrade and mask pegmatites, however laterite is an excellent geochemistry sampling medium and has been proven very effective by CSIRO to locate LCT pegmatite mineralisation in the Greenbushes district (Smith et al, 1987).

WORK PROGRAMS

Following the grant of the tenements, expected during the third quarter of 2016, work programs are likely to include:

- Multi-element geochemistry initially along the numerous forestry tracks to confirm and constrain the current, anomalous regolith samples;
- Aeromagnetic surveys. Pegmatites are much less magnetic when compared to the host mafic volcanic country rocks; and
- Mapping where creeks have incised the lateritic mantle to generate drill targets

For additional information, please refer to the announcement to ASX dated 6 April 2016.

Pioneer Dome Lithium Project

Pioneer 100%. Lithium.

Subsequent to the end of the quarter, the Company announced that it had, in addition to its existing holding, pegged tenements targeting the peripheral geological sequences to the Pioneer Dome, located approximately 130km south of Kalgoorlie, and 200km north of Esperance, in WA (ASX announcement, 29 April 2016) (*Figure 1*).

The Company has now accumulated approximately 300 km² of tenements along the 20km strike length of the eastern periphery of the Pioneer Dome.

The Pioneer Dome Project was recognised as having potential for lithium mineralisation following a review of historic exploration reports which recorded numerous pegmatite intersections in nickel or gold-focused drilling completed since the 1960s. The prospectivity model was further enhanced by colloquial records of lepidolite, tantalite and tourmaline in prospector scale workings, which are some of the characteristic minerals of a zoned pegmatites complex.

The Company had earlier commissioned a detailed geological interpretation of the Pioneer Dome which identified at least thirteen clusters of pegmatites occurring along the eastern periphery of the Pioneer Dome. On-site reconnaissance of five of the clusters has confirmed the presence of LCT pegmatites, including pegmatites with lepidolite, a lithium mica.

For full details, please refer to the announcement to ASX dated 29 April 2016.

LITHIUM SPECIFIC EXPLORATION COMMENCES

Pioneer's initial evaluation will consist of soil geochemistry programs, with priority orientation samples taken over targets referred to as PEG004, PEG006, PEG009 and PEG012 to provide base-line information. This will establish thresholds for lithium by chemical analysis, plus rubidium and niobium (pathfinder elements likely to be detectable using a pXRF). Concurrently, old drill holes will have pegmatite intervals re-sampled and assayed for lithium.

The proposed soil geochemistry program will see 4,000 samples taken, with initial assays expected before the end of May 2016.

With excellent year-round access to the Project, drilling can commence as targets are defined.

About Lithium and Pegmatite Mineralisation

The Company is targeting rare-element granitic pegmatites of the Lithium-Caesium-Tantalum (LCT) geochemical family. These are the type of pegmatites that host the world-class Greenbushes Deposit, have been intersected in drilling at the Mavis Lithium Project in Canada, and outcrop at the Company's Pioneer Dome Project.

Pegmatite is a reasonably common igneous plutonic rock of variable texture and crystal size, composed of common granite minerals such as quartz, feldspar and micas, but less commonly with economically important minerals (the LCT pegmatites) containing elements such as lithium (in spodumene or lepidolite), tantalum, niobium, tin and tungsten.

Genetically, LCT pegmatites have been linked to the emplacement of peraluminous, S-type granites, and distinguishing these from barren (such as I-type) granites is a critical step in the exploration for lithium of this genesis (see Glossary for more details).

In recent years there has been an increase in demand for lithium due to advancements in particular of the clean energy, lithium-ion battery technology, at present used in light weight electronics. It is however the successful commercialisation of larger scale lithium-based batteries by the automotive industry and in home electricity storage units that will drive demand growth for the foreseeable future.

Lithium has been classed as a 'critical metal' meaning it has a number of important uses across various parts of the modern, globalised economy including communication, electronic, digital, mobile and battery technologies; and transportation, particularly aerospace and automotive emissions reduction.

Critical metals seem likely to play an important role in the nascent green economy, particularly solar and wind power; hybrid car and rechargeable batteries; and energy-efficient lighting.

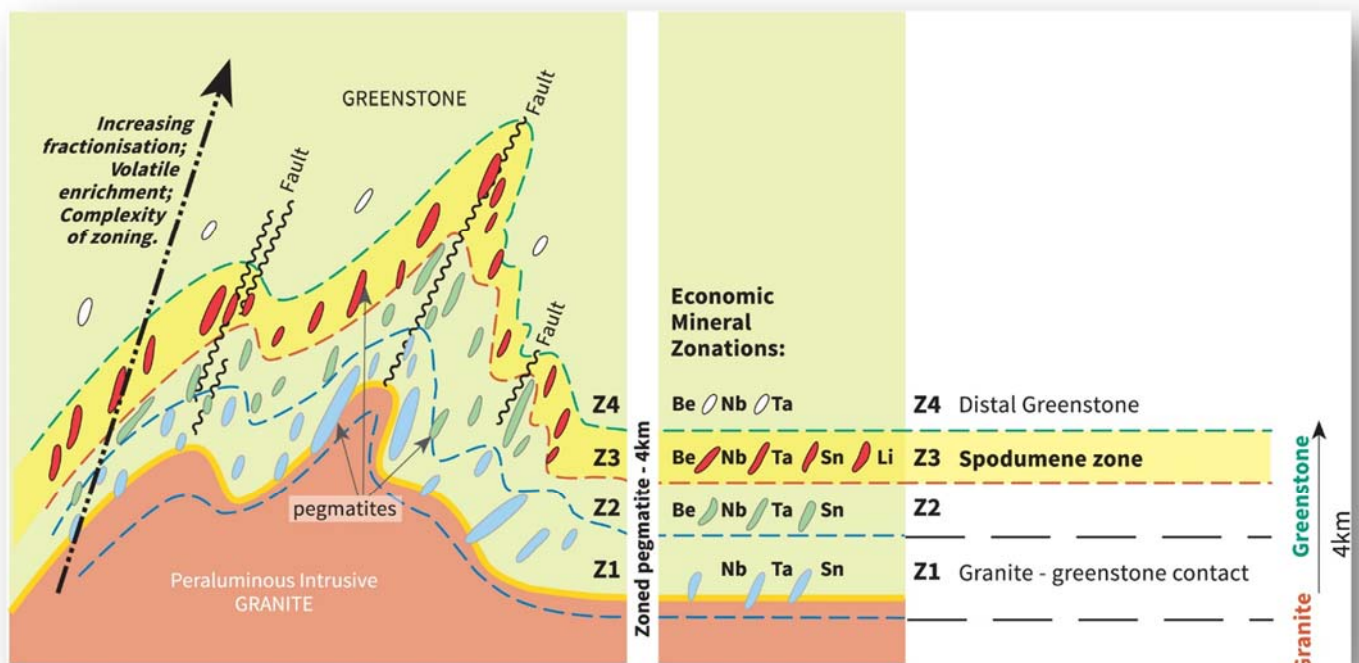


Figure 2: Schematic regional mineral zonation outboard of a fertile, peraluminous S-type granite, showing swarms of associated pegmatite dykes. Adapted by Pioneer from Černý 1991, Breaks et al 2003.

ACRA GOLD PROJECT

Pioneer 100%. Gold (nickel laterite excluded on some tenements).

The Company's on-going commitment to the Acra Gold Project remains unchanged. The Project covers an area of 289 km² and is located 60 kilometres north east of Kalgoorlie, WA. Prior to Pioneer, the Project area had been held predominantly by base metal, rather than gold, explorers.

Datasets indicate a regional distribution to the Project's gold endowment, and highlight the potential for the discovery of commercial deposits of gold within the 20 km long target zone.

NEW TARGET GENERATION AIRCORE DRILLING NEAR KALPINI SOUTH AND DEEP RIVER AREAS

Traverses of aircore drill holes totalling 69 holes for 3,936 metres were completed in late 2015 (announcement to ASX dated 15 February 2016), over a number of geochemical and geophysical targets adjacent to the Kalpini South Prospect and, on a more regional basis, gold structures at the Deep River Area. Further drilling has been proposed to test areas that return gold anomalies before target confirmation by RC drilling is completed.

Standout aircore drill holes include:

KPAC078 (21m at 1.00g/t Au, including 3m at 4.60g/t Au from 42m) from the new Deep River Prospect, located 2km from Kalpini South; and

KPAC015 (3m at 0.8g/t Au from 42m) which confirms that the Kalpini South mineralised structure extends for at least a further 100 metres from the western-most RC holes. This is further reinforced by the presence of a coincident EM conductor detected over much of this distance. Conductive massive pyrite-arsenopyrite sulphide mineralisation hosts gold in fresh rock at the Kalpini South Eastern Zone.

Overall, 12 aircore holes intersected anomalous gold-in-regolith values, highlighting the potential for further gold discoveries as exploration programs progress.

Hole ID	East (m)	North (m)	Depth (m)	Dip (°)	Azimuth (°)	Intersection
KPAC012	399202	6634868	38	-90	0	3m at 0.26g/t from 30m
KPAC012		And				2m at 0.41g/t from 36m EOH
KPAC015	399068	6635067	58	-90	0	3m at 0.81g/t from 42m
KPAC019	399142	6635155	63	-90	0	3m at 0.88g/t from 48m
KPAC020	399155	6635170	56	-90	0	6m at 0.32g/t from 45m
KPAC024	399507	6635078	66	-90	0	3m at 0.28g/t from 39m
KPAC035	399324	6634704	65	-90	0	3m at 0.97g/t from 51m
KPAC039	399969	6633349	61	-90	0	1m at 0.45g/t from 60m
KPAC040	399995	6633389	49	-90	0	3m at 0.38g/t from 42m
KPAC042	400050	6633473	42	-90	0	3m at 0.87g/t from 24m
KPAC062	399726	6632732	63	-90	0	3m at 0.26g/t from 54m
KPAC078	399451	6632799	75	-90	0	21m at 1.00g/t from 42m
KPAC078		Including				3m at 4.60g/t from 42m

EOH means end of hole.

Aircore is a blade drilling technique used to sample shallow, unconsolidated, weathered rock ("regolith") for subsurface geochemistry.

OUTLOOK FOR THE ACRA PROJECT

Kalpini South is one of a number of gold targets the Company has identified within the Acra Project.

Pioneer is progressively evaluating targets in a sequence reflecting the priority attributed to each, and accordingly, further drilling is scheduled later this year at Kalpini South.

Planned work programs include:

- Soil geochemistry: In-house programs provide a quick, cost-effective means of appraising new ground. 5 targets are currently scheduled for sampling within the Acra Project area;
- Aircore drilling: Programs target geochemical and structural targets on an iterative basis. Infill drilling improves definition of anomalies prior to more expensive RC and diamond core drilling;
- RC drilling: Used to target supergene mineralisation at the Kalpini South Prospect;
- Diamond core drilling: Will further test the Kalpini South Prospect for high grade gold lode 'down plunge' of the known gold mineralisation; and
- RC drilling: Programs will follow up aircore drilling program results, where warranted.

For full details, please refer to the announcement to ASX dated 15 February 2016.

FAIRWATER NICKEL PROJECT

Pioneer 75%. Nickel and gold.

The Fairwater Project's nickel targets are located in interpreted Proterozoic-aged rocks between 100 and 130km south west of Independence Groups' (ASX: IGO) Nova and Bollinger nickel deposits, in the Albany-Fraser Orogen in south east Western Australia (*Figure 1*).

DETAILED REVIEW OF 2015 DIAMOND DRILL CORE

Diamond drilling has demonstrated that the mafic-ultramafic bodies at Fairwater represent magma that has intruded into a pre-existing sedimentary (now gneissic) stratigraphic package, substantiating the proposed dyke and sill (chonolith) emplacement model.

All ultramafic contacts are sharp and show hornfelsing, with little or no assimilation of the country rock observed. This indicates emplacement of magma at a shallow depth into cool country rocks.

The MgO content of ultramafic rocks in drill core averaged 27%, likely representing a position that is distal to the higher MgO, hotter, magma feeder dyke.

The ultramafic rocks are characterised by "blebby" oikocrysts throughout, ranging in size from 2mm to 15mm. The presence of oikocrysts is inferred to represent periodic replenishment of the magma chamber (Mathison, 1987), eg multiple magmatic pulses, which is commonly observed in mineralised systems.

OUTLOOK FOR THE FAIRWATER PROJECT

To date drilling has been shallow (<200m) and focused towards the central locus of the main magnetic structure. Future exploration will be designed to test the known ultramafic body at greater depth, and other interpreted feeder dyke structures within the larger ultramafic system.

No observations of the drill core or chemistry has downgraded Fairwater as a potential nickel sulphide-mineralised system.

Yours faithfully



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Additional Information

Acra: Refer to the Company's Quarterly Activities Reports, and the Company's announcements to ASX dated 16 April 2014, 22 October 2014, 26 June 2015, 6 October, 2015, 18 December, 2105, 15 February 2016.

Fairwater: Refer to the Company Quarterly Activities Reports, and the Company announcements to ASX dated 21 July 2014, 13 April 2015, 5 June 2015, 6 July 2015, 17 September 2015, 8th October 2015, 10 November 2015, 9 December 2015.

The Company is not aware of any new information or data that materially affects the information included in this Report

Competent Person

The information in this report that relates to Exploration Results is based on information supplied to and compiled by Mr David Crook. Mr Crook is a full time employee of Pioneer Resources Limited and a member of The Australasian Institute of Mining and Metallurgy (member 105893) and the Australian Institute of Geoscientists (member 6034). Mr Crook has sufficient experience which is relevant to the styles of mineralisation and the activities undertaken to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Additional information in respect of soil geochemical data and litho-geochemical interpretations was provided by Dr Nigel Brand and geology by Mr Peter Langworthy. Mr Crook, Dr Brand and Mr Langworthy consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Caution Regarding Forward Looking Information

This document may contain forward looking statements concerning the projects owned by the Company. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.

Glossary

"Aircore" is a blade drilling technique which returns relatively uncontaminated samples through a central annulus inside the drill pipes. It is used to test the regolith (near surface unconsolidated and weathered rock) as an alternative to RAB drilling when conditions are wet, sandy or holes need to go deeper than by RAB.

"Chonoliths" are parts of networks or a corridor of intrusions which often include larger receptacles (layered intrusions) and passively emplaced dykes and sills. There are only 61 chonoliths known world-wide. 58 are mineralised and 29 are, or have been, mines.

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

Elements: "Au" means gold, "Cu" copper, "Ni" nickel, "Ag" silver, "Pb" lead, "Zn" zinc, "Pt" platinum, "Pd" palladium, "Be" means beryllium, "B" boron, "Cs" caesium, "Li" Lithium, "Nb" niobium, "Rb" rubidium, "Sb" antimony, "Sn" tin, "Ta" tantalum.

"EM" means electromagnetic, a geophysical survey technique used to locate conductive rocks which may include nickel sulphide mineralisation. There are a number of configurations of transmitters, receivers and processing available depending on the application including Ground EM: commonly 'moving loop' or 'fixed loop'; DHEM using a 'down hole' receiver coil; and 'versatile time domain' – VTEM which is an airborne system. SAMSON is a type of receiver with a very low signal to noise ratio.

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

"ppm" means 1 part per million by weight.

"Mafic" and "Ultramafic" are a class of igneous rocks high in magnesium "ma" and iron "fic", which are thought to be derived from magma from near the earth's mantle.

"pXRF" means portable x-ray fluorescence. Pioneer owns an Olympus portable XRF analyser which is an analytical tool providing semi-quantitative analyses for a range of elements 'in the field'.

"Li₂O" means Lithia, or Lithium Oxide, and is the elemental metal quantity converted to its oxide (in percent (%)), which is a form of reporting used for lithium in scientific literature. The conversion factor for Li to Li₂O is 2.152.

"Laterite" means a soil and rock type rich in iron and aluminium, developed by intensive and long-lasting weathering of the underlying parent rock.

"Lepidolite" is member of the mica group with formula K(Li,Al,Rb)₃(Al,Si)₄O₁₀(F,OH)₂. It is a secondary source of lithium. It is often associated with other lithium-bearing minerals like spodumene in pegmatite bodies. It is one of the major sources of the rare alkali metals rubidium and caesium.

"PEG-4 index" is an indicator for the presence of LCT pegmatites, and is a function of the assayed values for Sb, Sn, Nb and Ta.

"Pegmatite" is a common plutonic rock of variable texture and coarseness that is composed of interlocking crystals of widely different sizes. They are formed by fractional crystallization of an incompatible element-

enriched granitic melt. Several factors control whether or not barren granite will fractionate to produce a fertile granite melt (Černý 1991; Breaks 2003):

- presence of trapped volatiles: fertile granites crystallize from a volatile-rich melt.
- composition of melt: fertile granites are derived from an aluminium-rich melt.
- source of magma: barren granites are usually derived from the partial melting of an igneous source (I-type), whereas fertile granites are derived from partial melting of a peraluminous sedimentary source (S-type).
- degree of partial melting: fertile granites require a high degree of partial melting of the source rock that produced the magma.

Initially, fractional crystallization of a granitic melt will form barren granite consisting of common rock forming minerals such as quartz, potassium feldspar, plagioclase and mica. Because incompatible rare elements, such as Be, Li, Nb, Ta, Cs, B, which do not easily fit into the crystal of these common rock-forming minerals, become increasingly concentrated in the granitic melt as common rock forming minerals continue to crystallize and separate from the melt.

“RAB” means rotary air blast, a cost-effective drilling technique used to test the regolith (near surface unconsolidated and weathered rock) for plumes of trace-level gold that may have dispersed from a nearby primary source of gold. In this type of work gold values above 0.2g/t are considered anomalous and above 1g/t, very anomalous.

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

“Regolith” means the layer of loose, heterogeneous material covering solid rock. It includes dust, soil, broken rock, and other related materials. In Western Australia it most commonly refers to the almost ubiquitous layer of weathered and decomposed rock overlying fresh rock.

“N”, “S”, “E”, or “W” refer to the compass orientations north, south, east or west respectively.

“Spodumene” is a lithium aluminosilicate (pyroxene) found in certain rare-element pegmatites, with the formula $\text{LiAlSi}_2\text{O}_6$. Spodumene is the principal lithium mineral sourced from pegmatites and is the preferred source for high purity lithium products. Spodumene is known to form megacrystals, has a distinctive hardness and cleavage, and may fluoresce under ultraviolet light.

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Appendix 1

Joint Venture and Royalty Portfolio

A summary of Pioneer's joint venture and royalty portfolio is outlined below. In general, Pioneer has either retained a free carried interest (FCI) until a feasibility study has been completed, or a net smelter return (NSR) royalty. The Company is constantly looking for opportunities to expand this portfolio.

Project	Core Commodity	JV Partner	Pioneer Equity
Larkinville	Au, Ni Sulphide	Maximus Resources Limited	20% Ni 25% Au FCI
Wattle Dam	Ni Sulphide	Tychean Resources Limited	20% Ni FCI
Maggie Hays Hill	Ni Sulphide	Poseidon Nickel Olympia Pty Ltd	20% FCI
Mt Desmond	Cu, Au	Silver Lake Resources Limited	1.5% NSR royalty

Pioneer Resources Limited Tenement Schedule (Consolidated Basis) 31 March 2016		
Tenement	Holder	Notes
Golden Ridge Project Located 30km SE of Kalgoorlie, WA		
M26/220	Golden Ridge North Kambalda P/L	1
M26/222	Golden Ridge North Kambalda P/L	1, 11
M26/284	Golden Ridge North Kambalda P/L	1, 11
M26/285	Golden Ridge North Kambalda P/L	1, 11
L26/272	Golden Ridge North Kambalda P/L	1
Gindalbie Project Located 50km N or Kalgoorlie, WA		
E27/336	Pioneer Resources Ltd	3
E31/1029	Pioneer Resources Ltd	
Juglah Dome Project Located 58km SE of Kalgoorlie, WA		
E25/381	Western Copper Pty Ltd	4
E25/514	Pioneer Resources Ltd	13
E25/523	Western Copper Pty Ltd	4, 13
Acra Project Located 60km NE of Kalgoorlie, WA		
E27/278	Pioneer Resources Ltd	2
E27/438	Pioneer Resources Ltd	
E27/491	Pioneer Resources Ltd	
E27/520	Pioneer Resources Ltd	2
E27/548	Pioneer Resources Ltd	
E28/1746	Pioneer Resources Ltd	2, 8
E28/2483	Pioneer Resources Ltd	
P28/1120	Pioneer Resources Ltd	8
Ashburton Project		
E52/3079	Western Copper Pty Ltd	4
Fairwater Project Located 220km SE of Kalgoorlie, WA		
E63/1244	Pioneer Resources Ltd / National Minerals P/L	10
E63/1665	Pioneer Resources Ltd / National Minerals P/L	10
E63/1714	Pioneer Resources Ltd / National Minerals P/L	10
Wattle Dam Project Located 65km S of Kalgoorlie, WA		
M15/1101	Tychean Resources Ltd	3, 5a, 5b
M15/1263	Tychean Resources Ltd	3, 5a, 5b

Pioneer Resources Limited Tenement Schedule (Consolidated Basis) 31 March 2016

Tenement	Holder	Notes
M15/1264	Tychean Resources Ltd	3 ,5a, 5b
M15/1323	Tychean Resources Ltd	3 ,5a, 5b
M15/1338	Tychean Resources Ltd	3 ,5a, 5b
M15/1769	Tychean Resources Ltd	3 ,5a, 5b
M15/1770	Tychean Resources Ltd	3 ,5a, 5b
M15/1771	Tychean Resources Ltd	3 ,5a, 5b
M15/1772	Tychean Resources Ltd	3 ,5a, 5b
M15/1773	Tychean Resources Ltd	3 ,5a, 5b
Larkinville Project Located 75km S of Kalgoorlie, WA		
M15/1449	Tychean Resources Ltd / Pioneer Resources Ltd	6, 7
P15/5912	Tychean Resources Ltd / Pioneer Resources Ltd	6, 7
Ravensthorpe Project Located 340km SW of Kalgoorlie, WA		
E74/392	Silver Lake Resources Ltd	9a, 9b
E74/399	Silver Lake Resources Ltd	9a, 9b
E74/406	Silver Lake Resources Ltd	9a, 9b
E74/537	Silver Lake Resources Ltd	9a, 9b
M74/163	Silver Lake Resources Ltd	9a, 9b
P74/305	Silver Lake Resources Ltd	9a, 9b
P74/306	Silver Lake Resources Ltd	9a, 9b
P74/349	Silver Lake Resources Ltd	9a, 9b
P74/350	Silver Lake Resources Ltd	9a, 9b
P74/351	Silver Lake Resources Ltd	9a, 9b
P74/352	Silver Lake Resources Ltd	9a, 9b
Pioneer Project Located 133km SSE of Kalgoorlie, WA		
E63/1669	Pindan Exploration Company Pty Ltd / Pioneer Resources Ltd	12

Notes:	
1	Golden Ridge North Kambalda P/L is a wholly-owned subsidiary of Pioneer
2	Heron Resources Ltd retains nickel laterite ore
3	Heron Resources Ltd retains pre-emptive right to purchase Nickel Laterite Ore
4	Western Copper Pty Ltd is a wholly-owned subsidiary of Pioneer
5a	Wattle Dam JV Agreement: Title, Gold and Tantalum Rights held by Tychaean Resources Ltd
5b	Wattle Dam JV Agreement: Tychaean has an 80% interest in NiS minerals, Pioneer 20% free carried interest
6	Larkinville JV Agreement: Maximus Resources Ltd 75% in Gold and Tantalite, Pioneer 25% free carried interest
7	Larkinville JV Agreement: Maximus has an 80% interest in nickel rights, Pioneer 20% free carried interest
8	Xtrata Nickel Australasia Operations Pty Ltd 100% NiS, 0.5% NSR for Au, Pioneer 100% Au, 0.5% NSR Ni
9a	Ravensthorpe: Mineral Resources Ltd option to acquire Fe and Mn rights. Pioneer may receive a royalty
9b	Ravensthorpe: Title and rights to all minerals held by Silver Lake Resources Ltd. Pioneer 1.5% NSR
10	Fairwater JV Agreement: Pioneer 75% Interest, National Minerals P/L 25% free carried interest
11	Gold royalty held by Morgan Stanley Finance Pty Ltd and Morgan Stanley Capital Group Inc.
12	Pioneer JV Agreement: On 20 April 2016 Pindan withdrew from the Project. Now Pioneer 100%..
13	1% gross royalty held by Walter Scott Wilson

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

PIONEER RESOURCES LIMITED

ABN

44 103 423 981

Quarter ended ("current quarter")

31 March 2016

• Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(457)	(1,366)
(b) development	-	-
(c) production	-	-
(d) administration	(158)	(644)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	29
1.5 Interest and other costs of finance paid	-	-
1.6 Other – income	40	45
1.7 Other – R & D claim received	-	148
Net Operating Cash Flows	(566)	(1,788)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		-
(b) equity investments –	(106)	(106)
Investment in International Lithium Corp	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects (b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – tenement bonds paid	-	-
Other – tenement bonds refunded	-	-
Net investing cash flows	(106)	(106)
1.13 Total operating and investing cash flows (carried forward)	(672)	(1,894)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(672)	(1,894)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,610	2,236
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – costs of share issue	(99)	(118)
	Net financing cash flows	1,511	2,118
	Net increase (decrease) in cash held	839	224
1.20	Cash at beginning of quarter/year to date	1,211	1,826
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,050	2,050

-
- **Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	\$109
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Within item 1.2

(i) Managing Director and Non-Executive Directors' remuneration - \$109k*

* With effect from 1 February 2016 the Managing Director and Non-Executive Directors agreed to a 15% reduction in their annual remuneration reflecting market conditions and cost efficiency programs.

-
- **Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

+ See chapter 19 for defined terms.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

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• **Financing facilities available**

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

•

• **Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	400
4.2	Development	-
4.3	Production	-
4.4	Administration	150
Total		550

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• **Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	11	52
5.2 Deposits at call	2,039	1,159
5.3 Bank overdraft		-
5.4 Other (provide details)		-
Total: cash at end of quarter (item 1.22)	2,050	1,211

+ See chapter 19 for defined terms.

• Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	E27/336	Registered Holder	100%	0%
	E25/515	Registered Holder	100%	0%
	E63/1729	Registered Holder	100%	0%
	E63/1730	Registered Holder	100%	0%
6.2				

• Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

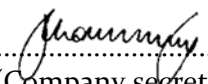
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1				
7.2				
7.3	881,385,273	881,385,273		Fully Paid
7.4				
	161,000,000	161,000,000	1.0 cent per share	
	-	-		
7.5				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	Unlisted Options	30,000,000	-	30 cents each	15 Oct 2017
	Unlisted Options	5,500,002	-	2.6 cents each	30 April 2018
	Unlisted Options	5,500,001	-	5 cents each	30 April 2018
	Unlisted Options	5,499,997	-	7.5 cents each	30 April 2018
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	-			
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- This statement does ~~/does not*~~ (~~delete one~~) give a true and fair view of the matters disclosed.

Sign here:  Date: 28 April 2016
(Company secretary)

Print name: JULIE ANNE WOLSELEY

Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash

+ See chapter 19 for defined terms.

position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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