



Pioneer Resources

Feb 18th 2015

Pioneer Resources pegs nickel tenements in Albany Fraser Orogen

Pioneer Resources (ASX:PIO) has added to its nickel interests in the highly prospective Albany Fraser Orogen in southern Western Australia.

Pioneer has now pegged two exploration licenses covering a combined 218 square kilometres, which lie around 35 kilometres south-west of the Mt Ridley nickel project.

Earlier in the week Mt Ridley Mines (ASX:MRD) discovered nickel sulphide minerals at the Targets 19 and 20 within mafic intrusive rocks.

Primary disseminated nickel sulphides including pentlandite, violarite and millerite have been identified in minor amounts in ten holes from two separate olivine bearing intrusions.

Significant intersections from these and other holes include: 19 metres at 0.31% nickel and 178ppm copper from 42 metres, including 6 metres at 0.56% nickel and 421ppm copper.

Pioneer held \$2.2 million in cash at the end of December 2014, and recently raised \$500,000 through a placement of 27.778 million shares at \$0.018, and has also launched a Share Purchase Plan at the same price to raise up to \$750,000.

Fairwater Nickel Project

Pioneer has additional nickel interests in Western Australia, including the Fairwater Project (75% interest), located 100 kilometres and 130 kilometres southwest of Sirius Resources' (ASX:SIR) Nova and Bollinger nickel discoveries.

Fairwater consists of three granted exploration licences and three licence applications.

Aeromagnetic imagery and follow-up soil geochemistry has generated targets considered prospective for the discovery of nickel sulphide mineralisation.

Programs of detailed soil geochemistry will be carried out on receipt of the PoW over the FWNi001 and FWNi003 targets while about 5,000 sites have been planned for sampling.

Other field programs to be initiated during the first quarter of 2015 include:

- Up to five traverses of moving loop EM to cover the FWNi003 target;
- Concurrent drilling of 99 aircore holes to confirm geology of the interpreted mafic intrusion suite;
- The resulting geological model will be further tested by fixed loop EM surveys and reverse circulation drilling;
- Reverse circulation holes will act as a platform for downhole EM surveys; and
- Drilling to test directly for mineralisation.

The targeted geological unit at Fairwater is the Proterozoic-aged (1.8-1.65 Ba) Biranup Zone rocks of the Albany-Fraser Orogen, where it is emplaced in close proximity to Archaean aged (>2.5 Ba) Yilgarn Craton rocks.

Price: A\$0.018

Market Cap: A\$11.094M

1 Year Share Price Graph



Share Information

Code: PIO

Listing: ASX

Sector: General Mining

Website: www.pioneerresources.com.au

Company Synopsis:

Pioneer Resources (ASX:PIO) is an ASX-listed specialist exploration company with a strategically located tenement portfolio, located near Kalgoorlie-Boulder and within the Albany Fraser Ranges.

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Blair Nickel Project

The Blair Nickel Project covers 43 square kilometres and is located 30 kilometres southwest of Kalgoorlie.

Pioneer plans to commence drilling this month to confirm the presence of previously unrecognised ultramafic lava channels which may host nickel sulphide mineralisation in close proximity to the historical Blair Nickel Mine.

The stratigraphic drill holes will test an updated geological model for the near-Blair Mine area, the result of a process which has drawn together elements from the extensive mine drilling and mapping database, recent geological mapping, geochemistry and the interpretation of high resolution aeromagnetic data.

The drilling program includes a minimum of 50 rotary air blast holes to pinpoint the base to the ultramafic rock sequence followed by about 2,000 metres of reverse circulation drilling to test the nature of the basal contact along the 04 and 05 surfaces and an EM conductor up-plunge of the Area 57 nickel shoot.

A successful program will confirm the presence of fertile komatiite channels and will act as a platform for downhole EM surveys to test for conductive rocks which may include nickel sulphides.

The Blair Mine has a previous remnant and unmined Resource of 222,710 tonnes at 2.92%, or 6,510 tonnes of contained nickel.

In addition, the company had dropped seven mining and exploration tenements following a review of nickel and gold targets, resulting in an annual expenditure commitment reduction of \$433,000 and actual savings of \$107,000 in rents and rates.

Analysis

Pioneer Resources has further increased its nickel interests in Western Australia, after pegging two exploration licenses covering a combined 218 square kilometres.

The licenses lie around 35 kilometres south-west of the Mt Ridley nickel project, where a recent discovery of nickel sulphide minerals was made at the Targets 19 and 20 within mafic intrusive rocks.

Pioneer also has gold interests including the Juglah Dome Gold and Base Metal Project about 57 kilometres southeast of Kalgoorlie, and the ACRA Gold Project 60 kilometres east of Kalgoorlie.

The company is well funded with \$2.2 million in cash at the end of December 2014, plus a recently raised \$500,000 from a placement.

A share purchase plan is also underway which could raise up to \$750,000.

Key catalysts:

The company is entering an active exploration phase, which key price drivers in the March quarter 2015 including:

- EM crew currently surveying the FWNi003 Nickel Sulphide Target at the Fairwater Nickel Project in the Albany-Fraser Orogen.
- Detailed soil geochemistry also in progress at Fairwater Project nickel targets.
- Drilling at Fairwater and Blair Nickel Mine Extensions Project in Eastern Goldfields due to commence this month.

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