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ASX/Media Announcement

Sale of Gold Deposits for \$8 million

- **Sale comprises the Tregurtha and Hughes Gold Deposits and western tenements only. Pioneer retains a 100% interest in the entire eastern Mt Jewell Project area**
- **Immediately monetises much of the potential value that Pioneer has created at the western Mt Jewell Project to date at the rate of \$43 per in-situ resource ounce**
- **Provides ample exploration funds to accelerate drilling programs which will test gold targets at the eastern Mt Jewell Project (now Gindalbie Gold Project) and Juglah Dome Gold Project, starting in April 2012**
- **Pioneer retains much of the exploration upside by keeping the Gindalbie Gold Project area (560km²) which is currently the subject of active exploration programs**

The Board of Pioneer Resources Limited ("Pioneer" or the "Company") is pleased to advise that it has entered into a conditional agreement with Carrick Gold Limited (ASX:CRK) for the sale of the western Mt Jewell Project tenements, including the Tregurtha and Hughes Gold Deposits, for total consideration of \$8 million.

Pioneer Resources' Managing Director, Mr David Crook, said that the sale of the western Mt Jewell Project and its gold deposits is a mutually beneficial transaction that importantly delivers significant cash to Pioneer.

"This transaction yields much of the return that the Company may have received over the initial production years on a risk-free basis. In addition, the immediate injection of funds enables Pioneer to accelerate drilling and seek further discoveries, and provides real capacity to investigate external opportunities as they arise," he said.

The \$8 million total consideration will be received in four instalments, as follows:

- The first instalment, comprising \$4.5 million, is due following satisfaction of certain conditions precedent principally the requirement for Pioneer shareholders' approval. Following the receipt of the first instalment, the Company will have approximately \$7 million in cash (and no debt);
- Two instalments of \$1.2 million each will be due on 6 March 2013 and 6 March 2014; and
- A final instalment of \$1.1 million will be due on 6 March 2015.

The deferred consideration will be secured by way of a first mortgage over the tenements being sold.

Application of Funds

The sale proceeds will allow Pioneer to accelerate drilling activities at its 100% held Gindalbie and Juglah Dome Gold Projects. A proposed work schedule is set out below.

Extensive preparatory work is nearing completion which has highlighted 8 areas at the Gindalbie Gold Project and 4 areas at the Juglah Dome Gold Project for close investigation. Targets are the result of a synthesis of geological setting, proximity to major structures, regional soil geochemistry and previous drilling completed both by Pioneer and earlier explorers.

Already this year, a 490km² gravity survey for the Gindalbie Gold Project has been completed and 8,100 soil samples have been taken at the Gindalbie and Juglah Dome Gold Projects.

2012 Work Program Schedule

	March 2012 Quarter	June 2012 Quarter	September 2012 Quarter	December 2012 Quarter
Planned Key Activities	Gravity survey completed	Geophysical model completed	Mineralisation confirmation drilling	Mineralisation confirmation drilling
	Juglah 4,500 soil samples taken	Active tenement consolidation	First test drilling Gindalbie targets 4-8	Initial mineral resource drilling Juglah
	Gindalbie 3,600 soil samples taken	Mapping, soil sampling Gindalbie East	Infill Geophysics	Initial mineral resource drilling Gindalbie
	Geophysical model developed	First test drilling Gindalbie targets 1-3	Expansive soil sampling new targets	Expansive soil sampling new targets
	Drill targeting completed	First test drilling Juglah Targets 1-4		

Summary of the transaction

Pioneer and Carrick are currently negotiating a formal sale and purchase agreement detailing the terms and conditions of the transaction. Completion of the transaction under the sale and purchase agreement will be conditional upon Pioneer shareholder approval and obtaining requisite third party consents.

Pioneer anticipates that the transaction will have the following effect on the Company:

- Total consolidated assets will increase by approximately 27% to \$14.5 million.*
- Total ordinary shares on issue will remain unchanged.
- Minimum annual exploration expenditure commitments on tenements retained by Pioneer will reduce by approximately 32% to \$0.73 million.
- Budgeted exploration expenditure programs to 31 March 2013 will increase by approximately 35%.
- Total tenement area will reduce by only 26%.

Shareholder Approval

The Pioneer Board considers that the sale is in the best interests of the Company and will be seeking shareholder approval at a General Meeting anticipated to occur by 30 April 2012. Given the value and the significance of the transaction to Pioneer shareholders, the Pioneer Board believes this to be an appropriate step to take as a matter of good corporate governance.

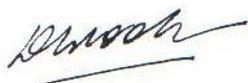
* Based on the 31 December 2011 Condensed Statement of Financial Position lodged with ASX on 29 February 2012 and adjusted for the total consideration and western Mt Jewell Gold Project exploration expenditure capitalised as at 31 December 2011.

Timetable for implementation of the transaction

The proposed timetable for implementing the transaction is as follows:

Sale and Purchase Agreement signed	Mid March 2012
Dispatch Notice of Meeting	Late March 2012
Pioneer Shareholder Meeting	Late April 2012
Completion	Early May 2012

Yours faithfully



Managing Director

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About Pioneer Resources Limited

Pioneer Resources Limited (ASX: PIO) is a specialist exploration company searching for gold and base metals in the Kalgoorlie District of Western Australia. The Company strives to create shareholder value by combining work on advanced projects with active project generation from within the Company's 100%-owned and joint venture tenement portfolio.

A summary of the Company's activities is presented in a fact sheet and other reports available from the Company's website at www.PIOresources.com.au.

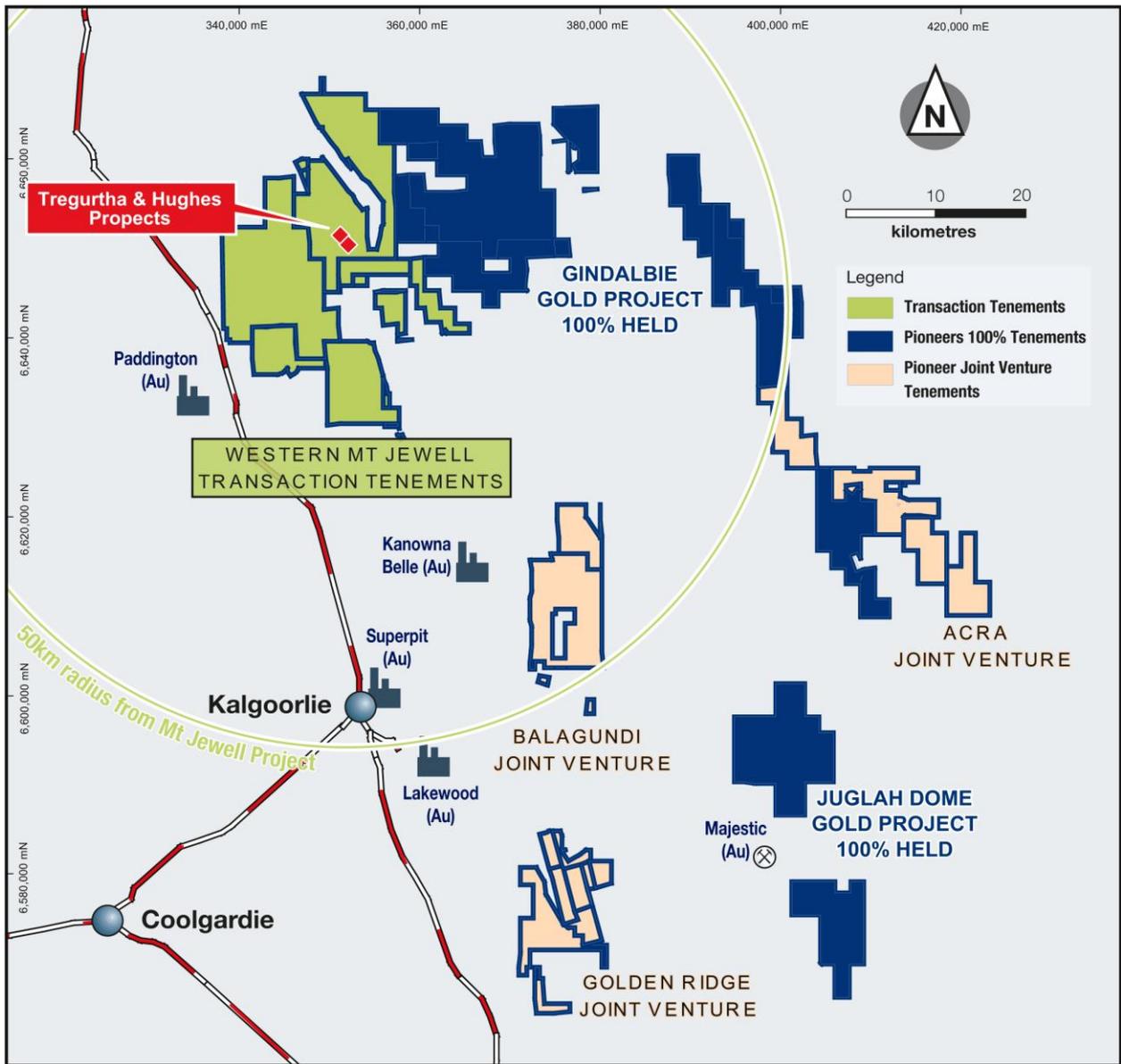


Figure 1: Pioneer's tenement portfolio showing the western Mt Jewell transaction tenements, and the Gindalbie and Juglah Dome Projects.