



6 March 2014

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ASX/Media Announcement

\$1.2M instalment payment for sale of Mt Jewell Gold Project received

Pioneer now holds cash reserves of \$2.3 million

Exploration programs initiated at Acra Gold Project and Fairwater Nickel Gold Project

Pioneer Resources Limited ("Pioneer" or the "Company" (ASX: PIO)) is pleased announce that it has received the latest instalment payment, of \$1.2 million, from the sale of the Mt Jewell Gold project to KalNorth Gold Mines Limited (ASX: KGM).

The \$1.2 million received today is the third instalment payment and means that the Company presently holds cash reserves of approximately \$2.3 million. A final instalment, of \$1.1 million, is due on 6 March 2015.

Pioneer announced the sale of the Mt Jewell Project in 2012¹. Consideration for the transaction was \$8 million cash, payable in four instalments. The first instalment, of \$4.5 million, was paid at settlement and the second instalment, of \$1.2 million, was paid on 6 March 2013.

Following the receipt of this instalment payment the Company has initiated its field exploration programs for 2014. Immediate programs include:

Fairwater (Fraser Range) Nickel and Gold Project

Soil sampling: The Company has collected approximately 4,700 samples. The program was designed to test 4 nickel and 6 gold targets, which were identified using aeromagnetic imagery and existing low-density auger geochemistry data.

Nickel-copper-chrome assays by pXRF analyser will be available before the end of March. Gold and follow-up base metal analyses from a certified laboratory are expected during April 2014.

Pioneer has a 75% interest in the Fairwater Project, which covers an area of 655km² of granted and applied-for exploration licences in the Albany-Fraser Mineral Province. The area has become the focus of intense exploration activity since the discovery of the Nova and Bollinger Nickel-Copper Deposits by Sirius Resources (ASX: SIR). Targets are approximately 130km SW of the Nova Nickel Deposit;

Acra Gold Project

Drilling: The Company has planned 15 RC holes for the Kalpini South Prospect, which will commence when environmental approvals are received later in March. Results are expected in April 2014.

The Acra Project (100% Pioneer) covers an area of 617km², 60 kilometres north east of Kalgoorlie, WA. Gold mineralisation at Kalpini South has been intersected over a strike length of 100 metres, and remains open in each direction and down dip.

Key points from drilling to date include:

- 6 of the 12 drill holes previously completed have intersected significant gold mineralisation;
- 2013 drilling revealed that the gold-bearing structure has a WNW strike orientation, and that the 6 unmineralised holes did not reach the mineralised surface. The next round of drill holes will be orientated towards SW and are therefore expected to produce a better outcome;
- Previously announced results² include:
 - KSRC004: **10m at 6.38g/t** from 61m, and **5 m at 2.39 g/t** from 100m;
 - KSRC005: **9m at 5.31g/t** from 36m.
 - KSRC007: **15m at 2.39 g/t** from 94m; and
 - KSRC010: **3 m at 5.44 g/t** from 128m
- Intersections of high grade gold mineralisation in fresh rock, (i.e. KSRC004, KSRC007 KSRC010) bodes well for the identification of a significant gold deposit at depth.

Pioneer Resources managing director David Crook said:

“We are delighted to receive the latest instalment payment from KalNorth from the sale of the Mt Jewell Project. The funds received help the Company maintain its sound financial position, and will be used on our targeted explorations programs in the Company’s 2014 field season. We look forward to providing details on the progress of these programs in due course.”

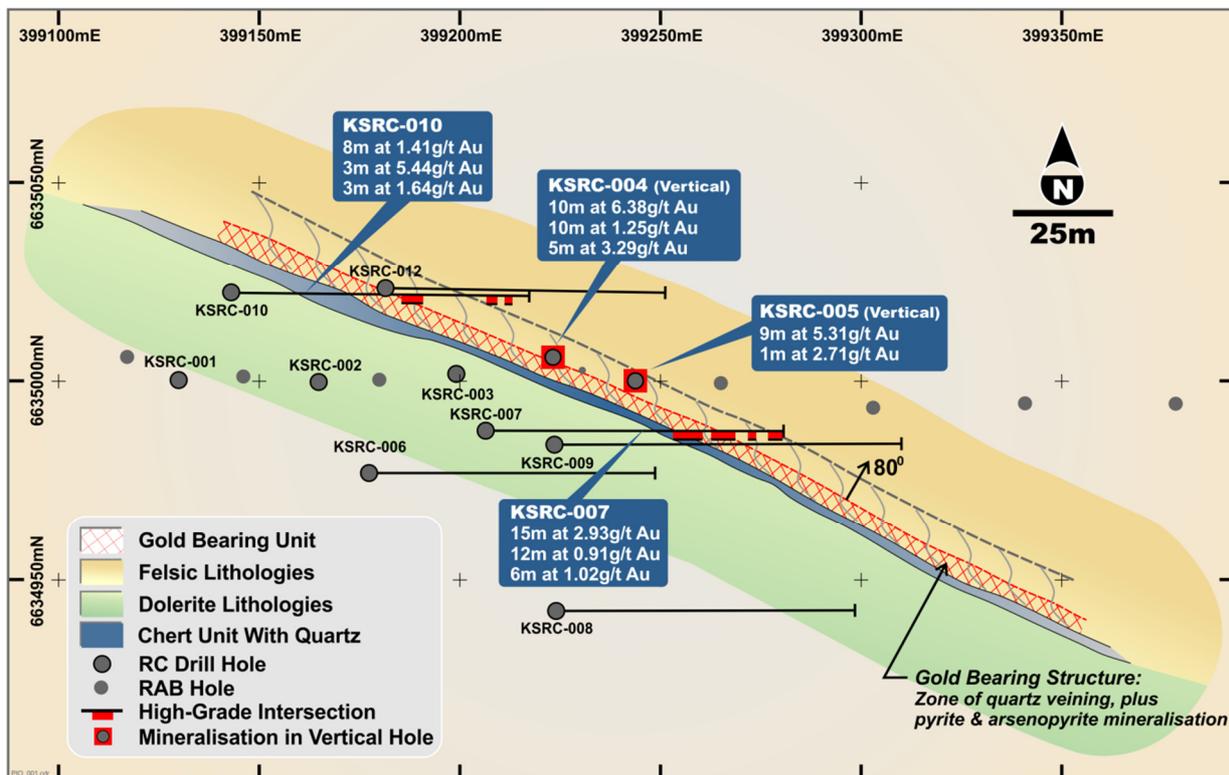


Figure 1. Kalpini South drill hole location plan and geological summary.

ENDS

**Managing Director
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Note 1. Refer ASX announcement, 13 March 2012

Note 2. Refer to Pioneer Resources Limited Quarterly Activities Report, 31 January 2104.

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). Mr Crook has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

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.