



ASX Code: PIO

Share Price (as at 8 June 2009): A\$0.03

Market Cap (at \$0.03): A\$5.1M

Issued Capital: 170M shares

Cash and receivables: \$1.3M

Management

Craig McGown (Chairman)

David Crook (Managing Director)

Allan Trench (Non-Executive Director)

Peter Langworthy (Non-Executive Director)

Top Shareholders

Xstrata Nickel	12.5%
Enerjee Pty Ltd	4.5%
IJ Buchhorn and assoc parties	4.1%

Lignum Dam: An Emerging Gold Project Investor Forum Update

Pioneer (ASX: PIO) is a specialist exploration company exploring for metal deposits in the Eastern Goldfields of Western Australia. Following recent success at Lignum Dam, the Company's focus has shifted towards this emerging gold project. The Company will continue with campaigns of low key exploration for other projects, several of which are also showing great promise, while the gold project evolves. This will include actively locating joint venture partners for some projects to maintain exploration momentum.

Pioneer has attracted the attention of a number of more senior mining companies who have entered into joint venture agreements to earn equity in its projects, including Xstrata Nickel (Acra), Ramelius (Wattle Dam Nickel) and Norilsk (Maggie Hays Lake). Xstrata has also taken a significant equity position in Pioneer of 12.5%, has current board representation and has an active investment in the Acra JV Project.

Share Price Performance



Current Exploration Program:

Lignum Dam Gold Project (Pioneer 100%)

- Next phase is RC drilling at the Tregurtha and Hughes Prospects
- Tregurtha intercepts include:
 - 29m at 2.02g/t Au
 - 20m at 4.28g/t Au
- SAM (geophysical) survey

Rising targets:

- **Mt Chester Manganese Prospect, Ravensthorpe (Pioneer 75%):**
 - Soil sampling and metallurgical testing. Drilling approvals held.
- **Golden Ridge JV Nickel Project, (Pioneer 54%):**
 - EM survey followed by RC/diamond drilling at Leo Dam planned.
- **Mt Thirsty South Cobalt-Nickel-Manganese Project (Pioneer 100%)**
 - Drilling has identified significant Ni-Co mineralisation
- **Balagundi Copper-Lead-Zinc Project (Pioneer 100%):**
 - HFSE felsics located. Geochemical targets identified
- **Acra JV Nickel Project (Pioneer 40%):**
 - Xstrata has agreed to provide \$1.2 million of funding to Pioneer during 2009-2010 to test nickel sulphide targets.



PIO

Project Status Summary for Pioneer Projects - 2009:

Silver Swan Northwest: Lignum Dam Project (PIO 100%, Gold)

- Located 55km N of Kalgoorlie.
- Gold in Granodiorite, analogous to nearby Golden Cities deposits.
- RAB drilling has identified significant gold anomalism:
Tregurtha Prospect: 29m at 2.02g/t Au, including 4m at 6.6g/t Au;
20m at 4.28g/t Au, including 12m at 6.65g/t Au;
Hughes Prospect: 5m at 2.24g/t Au;
3m at 2.94g/t Au;
4m at 1.90g/t Au.
- RC drilling is scheduled for the September 2009 quarter.
- A SAM geophysical survey is scheduled to help structural geology interpretations.

Golden Ridge JV Project (PIO 54%, AUZ 46%, Nickel)

- Located 30km SE of Kalgoorlie and 30km N of Kambalda.
- The Leo Dam ultramafic is now a 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, 1095ppm Cu and 452ppb PGE;
73m at 0.53% Ni, 468ppm Cu and 202ppb PGE;
- EM surveys followed by drilling of confirmed targets is planned.

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

- Located 10km SE of Ravensthorpe.
- Reconnaissance sampling has located manganese-rich outcrop over a strike length of 500m.
- Rock chips assay between 30% and 49% Mn.
- Anomalous manganese soil geochemistry returned north of known mineralisation. South has not been sampled yet.
- Adit sampling conducted in the 1980s returned 15m at 17.7% Mn.

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

- Lateritic cobalt-nickel-manganese mineralisation identified.
 - Mineralisation is along the strike extension of a known resource.
- Recent Drill Results
- 3m at 0.46% Co, 0.26% Ni, 5.8% Mn
 - 6m at 0.15% Co, 0.35% Ni, 1.0% Mn

Acra JV Project (PIO 40%, Xstrata Nickel 60%, Nickel, Gold)

- Located 75km NE of Kalgoorlie.
- Target is Cosmos – Prospero style massive nickel sulphide mineralisation.
- Recent drilling has intersected an in-tact mineralised basal ultramafic contact which intersected 0.1m at 2.5% Ni and 7.6m at 0.42% nickel.
- This is the first time nickel mineralisation has been intersected at an intact basal contact at Acra and is considered by Xstrata to be a 'breakthrough'.

Balagundi Project (PIO 100%, Copper-Lead-Zinc)

- Located 20km E of Kalgoorlie.
- Terrane recognised by CSIRO as prospective for volcanogenic massive sulphide (VMS) deposits.
- Soil geochemistry, mapping and whole rock geochemistry has identified HFSE felsic volcanics.
- Multi-element soil geochemical anomalies are supported by PIMA alteration signatures.

Upcoming Exploration Programs

Following recent capital raisings, Pioneer remains reasonably funded. Although the Company has many targets available, the Lignum Dam Gold Project ranks as our immediate priority.

1. Lignum Dam Gold Project

Pioneer's lead project is located entirely within sheared and altered Granodiorite, an environment analogous to the geological setting of the Federal and Golden Cities Mines, located 15km to the southwest.

- Two prospects, Tregurtha and Hughes, are ready for RC drilling; following the completion of
- A SAM geophysical survey, booked for June 2009.

2. Acra JV Nickel Project

Drilling has confirmed that the southern Acra basal contact is fertile, with nickel sulphide mineralisation identified at the Jubilee-JSW Gossan, Jubilee West and Acra South Prospects in addition to the original Acra Prospect.

- Xstrata is funding 100% of exploration expenditure for this project, with Pioneer's geologists managing the project; and
- Mapping, EM surveys and drilling are planned for the 2009 field season.

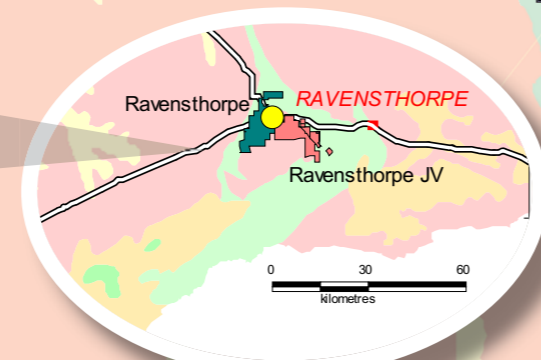
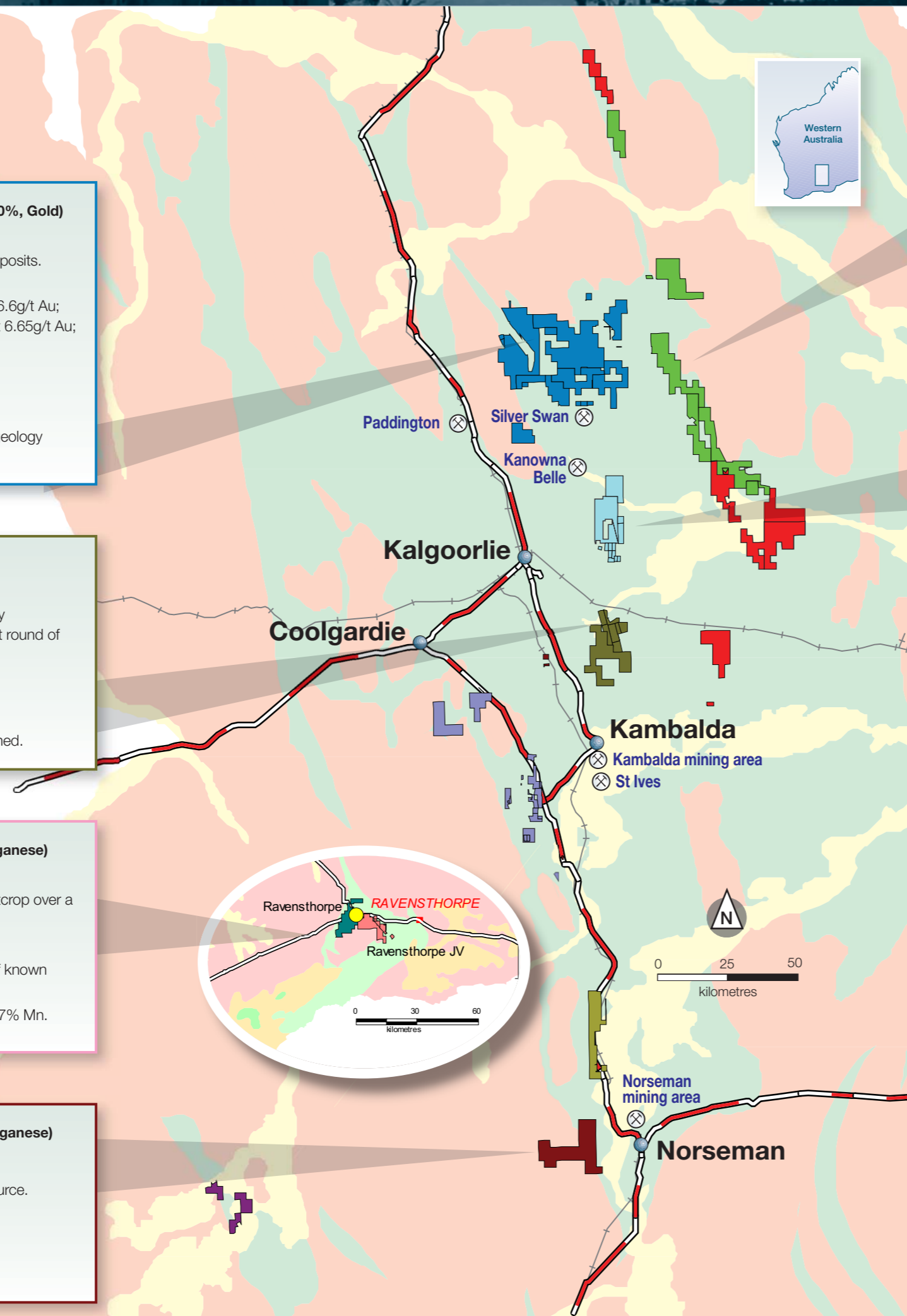
3. Ravensthorpe JV – Mt Chester Manganese Prospect

Pioneer is negotiating a rationalisation of tenement assets; and an exploration and mining joint venture which could fast track the Mt Chester Manganese Prospect.

4. Golden Ridge JV Nickel Project

The new Leo Dam anomaly and three targets at the basal contact of the Central Unit rank as priority targets for EM surveys and drilling.

- Target definition aircore drilling will test the primary anomalies;
- Surface EM surveys will be completed over confirmed targets; and
- RC/diamond drilling will test resultant targets.



Summary and Outlook

The Company's Directors believe that Pioneer has reached a watershed point, with the identification of the Lignum Dam Gold Project. This is a direct result of the Company's multi-commodity approach to exploration programs, rather than specifically targeting nickel, and as a result the Company can now include gold, manganese, copper-lead-zinc as well as nickel prospects within its portfolio.

Following exciting drilling results from the Lignum Dam Project, including 20m at 4.28g/t Au from the most recent RAB program, the Company will focus on this gold project, and will progressively seek commercial arrangements for other projects. To better reflect this change, Pioneer is proposing to alter its name to Pioneer Resources Limited at a forthcoming EGM.

The next step is the inaugural reverse circulation (RC) drilling program for Lignum Dam, where both the Tregurtha and Hughes Prospects will be tested. A sub-audio magnetic (SAM) survey will be completed ahead of drilling to facilitate drill hole orientations. Pioneer has recently announced the completion of a capital raising which will fund this work.

Pioneer looks forward to updating the market as new drilling results come to hand.

Company Strategy

Pioneer's foremost objective is to discover economic metal deposits with a view to making production decisions within the next two to three years. The Company's multi-commodity approach to exploration has resulted in the identification of the Lignum Dam Gold Project, which has become the Company's priority target.

The Company's business plan includes:

- Increasing capital value through exploration discovery;
- Organic growth through targeted expenditure-based acquisitions;
- Remaining sufficiently funded to permit significant in-ground exploration programs;
- Researching and ranking projects to a 'develop or divest' decision point; and
- Farming out non-core projects to mitigate financial risk.



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