ASX/Media Announcement

DRILLING UNDERWAY

AT NEW GINDALBIE GOLD TARGETS

Pioneer Resources Limited (ASX: PIO) is pleased to announce that the first drill holes have been completed at its new Gindalbie Gold Project. Drilling, which commenced on Wednesday this week, will test two new gold targets generated earlier this year.

Five New Gold Targets

From Gindalbie, the drilling rig will move to the JWT and Moonbaker areas at the Juglah Dome Gold Project. Drilling completed in late 2011 intersected gold and subsequent soil geochemistry has defined a series of three compelling gold anomalies.

The overall RAB drilling program will amount to approximately 12,000m. It is expected that drilling will be completed by the end of May, with assays returned by the end of June 2012.

This drilling phase is testing anomalies which are the result of a very active first quarter of 2012 by Pioneer, which included:

- A 490km² geophysical gravity survey covering much of the Gindalbie Gold Project
- 7,800 soil geochemistry sites sampled at the Gindalbie and Juglah Dome Gold Projects.

Well Funded – Active Exploration

On 13 March 2012 Pioneer announced the sale, for $8 million, of the Western Mt Jewell Gold Project. The sale included the Tregurtha and Hughes Gold Deposits, which are greenfields discoveries made by Pioneer. The sale is subject to shareholder approval which will be sought at a General Meeting of Shareholders on 18 May 2012. Following Completion, timetabled for the 25 May 2012, the Company will have cash of approximately $7 million and receivables over the next 3 years of $3.5 million. Using the experience gained at Mt Jewell, the Company will continue to generate and rapidly test gold targets within its extensive Eastern Goldfields tenement portfolio.

Yours faithfully

Managing Director
A geology student takes 1 of 7,800 soil samples earlier this year - this one from the Juglah Dome Gold Project.

5 drill targets resulted from this work - 3 at the Juglah Dome and 2 at Gindalbie.

Drilling commenced this week at Gindalbie.

Figure 1.

Pioneer’s extensive Eastern Goldfields tenement portfolio will remain the focus of its exploration activities.
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.

Glossary

“RAB” means rotary air blast, a cost-effective drilling technique used to geochemically sample weathered rock.

Responsible Parties

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a full time employee of Pioneer Resources Limited, a member of The Australasian Institute of Mining and Metallurgy (member 105893) and is a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report. This person consents to the inclusion of this information in the form and context in which it appears in this report.

Additional Information