An Investment in Aggressive Exploration

David Crook
Managing Director

July 2005

Disclaimer

The information contained in this presentation is not financial product advice. The presentation is for information purposes and is of a general and summary nature only. Pioneer Nickel Limited gives no warranties in relation to the statements and information in this presentation. Investors should seek appropriate advice on their own objectives, financial situation and needs.
Overview

Pioneer Nickel listed on the ASX in 2003 to develop under-explored nickel sulphide projects around the proven Kambalda and Goldfields regions of Western Australia.

Through aggressive exploration Pioneer aims to become a producer within three years.

Building for Success

- Advanced exploration projects near major nickel discoveries
- Tenement portfolio near established infrastructure
- Strong support from major nickel producer
- Immediate highly prospective drill targets
  - Acra – Jubilee actively exploring
  - Wattle Dam – targets adjacent to nickel sulphide mines
  - Pioneer – nickel sulphide intersections require follow-up
  - Ravensthorpe – potential to develop copper/gold ore
Pioneer is Western Australia Focused

Experienced Board of Directors

Reg Gillard – Chairman
An accountant with more than 30 years of experience
Holds a number of Board positions on ASX listed companies with particular focus on the resources sector

David Crook – Managing Director
A geologist with 24 years experience in exploration, mining and management
Has held senior exploration and mining operations roles, including 7 years as exploration manager for Heron Resources Limited

Allan Trench – Non-Executive Director
A mineral economist, geophysicist and business management consultant (previously McKinsey’s)
Previously led nickel sulphide exploration teams for WMC Resources
Held senior business advisory role with KCGM and now for Woodside.

Ian Buchhorn – Non-Executive Director
A mineral economist and geologist with 30 years experience both in Australia and overseas
Current Managing Director of Heron Resources Limited

Peter Langworthy – Non-Executive Director
A geologist with 20 years experience
Currently Exploration Manager of Jubilee Mines NL
Experienced Technical Management

- **David Crook – Managing Director**
  A 24 year career in exploration, mining and management, with a good discovery record. Includes participation in the delineation of Radio Hill Mine, Gidgee Gold Mine and the Kalgoorlie Nickel Project deposits. Has held senior exploration and mining operations roles, including 7 years as exploration manager for Heron Resources Limited. Founding Managing Director of Pioneer Nickel Ltd.

- **Clayton Davy’s - Exploration Manager**
  A Geologist with 12 years experience with a strong nickel sulphide field exploration focus. Industry experience includes 10 years with WMC (and Gold Fields) at its Norseman Gold and Kambalda Nickel and Gold operations, in exploration and mining roles. Had previously worked on the Widgiemooltha Dome, Kambalda and West Musgrave Nickel Provinces.

- **Haydn Hadlow – Business Development Manager**
  Has an MSc in Economic Geology from University of WA, followed by nearly 20 years industry experience, including Chief Geologist of Kanowna Belle and Kundana Gold Mines, Black Swan Nickel Mine, and Thalanga Base Metals Mine. He has also been Technical Services Manager of Placer Dome’s Kalgoorlie West Operations, and Senior Geologist and Planning Team Leader of the Mount Isa Lead Mine. His aim is to help Pioneer Nickel grow from junior explorer to mid-tier producer.

Financial Snapshot

- **Issued Shares** 48.1m
- **Unlisted Options (25 cents)** 10.8m
- **Share Price (as of 27/7/05)** 17.5 cents
- **12 Month Range** 9.5 – 28.0 cents
- **Market Capitalisation** $8.4m
- **Cash** $1.6m ($1.9m)
- **Volume per Day** ~160,000

Largest Shareholders

- Jubilee Mines NL 13.5%
- Kurana Pty Ltd 9.6%
- Grosvenor Pirie Mgmt Ltd 4.3%
- ANZ Nominees 3.1%
We are exploring 4 projects on a high priority basis: This Quarter

- **Acra JV Project**
  - JBM Managers
  - 3,363.3 metres drilled
  - Very active on-going programmes

- **Wattle Dam Project**
  - NIS at 1A N
  - DH EM 1A S
  - 1000m planned August 2005

- **Pioneer JH Project**
  - Nickel Sulphides intersected
  - 800m planned September 2005

- **Ravensthorpe JV Project**
  - JV HOA Signed
  - Drilling planned and scheduled to start immediately on grant of tenement

---

Aggressive Exploration – Acra Joint Venture Project

- Project covers 140km strike length of ultramafic sequence
- Jubilee earning up to a 75% interest by spending $6.9 million. To date have spent $1.2 million
- High tenor and disseminated nickel sulphides identified over 700m strike
- Nickel Sulphide and Gold targets are being drilled
Geological Model Developed
Clear Focus for Drilling

- Pioneer owns 100%
- Excellent prospectivity – North Widgiemooltha Greenstone Belt
- 1,000m of drilling planned to test strong nickel sulphide indicators
Immediate Drill Targets
Aggressive Exploration – Pioneer Project

- Pioneer owns 100%
- 800m RC and diamond drilling programme planned
- Target is down plunge of nickel sulphide intersections

Immediate Drill Target
Recent Acquisition – Ravensthorpe Cu-Au JV Project

- 23.7 square kilometres near Ravensthorpe
- Consistent with acquisition strategy following Acra JV
- Ravensthorpe region hosted historic Cu and Au mining. Up to closure of the mines in 1971 Ravensthorpe had accounted for half of all WA’s copper production.
- Pioneer earning 75% by spending $500,000 over 5 years.
- Pioneer will focus exploration on areas of significant past Cu/Au production

Summary of Ravensthorpe Area Geology
Summary of Ravensthorpe Area Geology

- Host rock: Archaean Annabelle Volcanics
- Intruded by Manyutup Tonalite
- Shear-hosted disseminated to semi-massive, chalcopyrite-gold-pyrite-pyrrhotite-magnetite-silver mineralisation

- Various ore deposit models proposed, including:
  1. porphyry Cu-Au (Sofoulis 1958, Savage 1992),
  2. syntectonic-synmetamorphic Archaean lode-gold style (Witt 1995), and
  3. sub-seafloor volcanogenic (Witt 1998)

Three Historical Underground Cu-Au Mines
Elverdton-Mt Desmond

- 12km SE of Ravensthorpe
- mined from 1901-1918 as several small underground mines
- re-opened as a single underground operation in 1957 by RCM
- ?70,000tpa Elverdton concentrator.
Project Exploration Potential

Potential for:

- Broad halo of lower-grade copper and gold mineralisation amenable to open pit mining, both oxide and sulphide
- Strike extensions and lodes parallel to previously exploited narrow high-grade ore positions
- Down plunge extensions to high-grade shoots below 200m
- The presence of gold throughout the system
- Discovery of further mineralised lodes in the region

Elverdton-Desmond Costeans (1000ft N - 1600ft N) circa 1970's

Copper Assays (only)

Approx. “Strike Length” = 533ft (164m)

Approx. Average “Width” = 64ft (19.6m)

Approx. Average Grade = 0.80% Cu
Elverdton-Desmond: Potential for Open Pit and Strike Extensions

Elverdton - Desmond: No. 3 Level -350 feet (-107m)

- Central Fault Block poorly tested
- Desmond Shaft
- Potential southern strike extensions faulted off and poorly tested
- Potential northern strike extensions not tested
- To PLP surface workings 400m

400 feet (122m)

Elverdton - Desmond: Potential for Open Pit and Strike Extensions

- Costeans average 20m at 0.8% Cu.
- DH Section 12m at 2.1% Cu

North end terminates at major shear zone
Central Zone ore was "lost"
South end terminated by fault

Costeans average 20m at 0.8% Cu.
DH Section 12m at 2.1% Cu

Legend
- Cross-cutting Fault
- Diamond Drill Hole U/G
- Diamond Drill Hole Surface
- 1050ft N Cross Section
- Surface Costeans

Elverdton-Desmond: Potential for Open Pit

Elverdton - Desmond Cross Section 1050ft N

- Potential Width of Mineralised Shear
- Potential Width of Footwall Mineralisation
- Costeans (all assays) incl. 47m @ 1.05%
- Projection of Main Lode
- Mineralised Zone (no assays recorded)
- Footwall Mineralisation

7'6" (2.3m) @ 8.5% Cu
40' (12.2m) @ 2.1% Cu

Projection of Footwall Mineralisation

Mineralised Zone (no assays recorded)
Elverdton-No.2 Level -249ft (-76m)

Copy of Level Plan from Phillips River Gold & Copper Co. 31/1/1911

Elverdton No.2 Level -249ft (-76m)

Max Values 78” 2.0m 16.24% 8.0 12.4 g/t
Min Values 12” 0.3m 1.27% 0.0 0.0 g/t
AVERAGE 42” 1.1m 9.40% 3.0 4.6 g/t

Elverdton-Desmond:
Gold Potential

Elverdton-Desmond:
Down Plunge Potential
Elverdton-Desmond: Down Plunge Potential

Milestones to Monitor

- **Acra JV Project**
  Further Drilling Planned; Significant Budget Allocation

- **Wattle Dam**
  Nickel Sulphide Targets Scheduled for Drilling August 2005

- **Pioneer**
  Drilling to Test Nickel Sulphide Targets Scheduled September 2005

- **Ravensthorpe Western Copper JV**
  Drilling will commence immediately key tenement is granted
David Crook
Managing Director
45 Brookman St, Kalgoorlie WA
Ph: (08) 9091 6974