Managing Director’s Review Continued:

In last year’s Annual Technical Summary the Company reported the first RC drill holes, completed in September 2009, for the Hughes and Teguthra Prospects at the Mt Jewell Gold Project. These holes returned very encouraging gold intercepts, and were the catalyst for realigning the Company’s commodity focus to gold.

Significant in context, is the decision to dispose of a majority of the lithium exploration program, which is designed to expand the number of gold targets, and it is anticipated that this will set us on a busy RC drilling schedule for 2011.

Geological and Structural Targets include:

- The Lignum Dam Trend, which is a structural corridor that hosts the Teguthra and Hughes Prospects. A number of exploration activities are ongoing including surface mapping and drilling, with the Top, Top East and Gindalbie deposits being priority targets.

- The Golden Cities North Trend, which is a structural corridor that extends from the Havana-Suva-Federal Gold Mining Centre north-west through Pioneer’s tenements for 12 kilometres. Priorities include the Criterion, Grand and Mt Jewell Gold Project. It is also important that I mention the significant expansion of the Kenya prospection and evaluation program, which is now established as the Kenya porphyry copper-gold project.

- The Gindalbie Region, where research has identified a number of untested geochemical and structural targets.

During the year the Company developed its interests in the Ravenshore Project in return for royalty streams should mining centres ensue:

- The Gindalbie Region, where research has identified a number of untested geochemical and structural targets.

- Expansion of Project Tenement Holding and New Ground: This year has seen the Mt Jewell Gold Project take priority for the Company and, following successful capital raisings, an extensive exploration program led by our Managing Director, David Crook, whose efforts in focused exploration management and promotion of your Company have positioned Pioneer to move to the next stage of Mineral Resource delineation at the Mt Jewell Gold Project. It is also important that I mention the significant contribution of my Board which commercial and technical skills have been an essential ingredient in supporting the strategic direction of your Company and will position it well for future success.

In closing I wish to add my congratulations to Sharenautics for your persistence in supporting Pioneer. I am extremely confident that your support will be amply rewarded in the future and look forward to writing again as this next year sees the completion of Pioneer’s exploration and development achievements.

Yours Sincerely
Craig McKeown
Chairman

Glossary

IDF: means electromagnetic, a geophysical survey technique used to locate mineralisation by which an area hosting such mineralisation may be expected to return an enhanced electromagnetic response.

RAE: means reverse air blast, a drilling technique that is used to return unconsolidated pulverised rock samples through a central annulus inside the drillpipes. RAE samples can be used in industry standard Mineral Resource statements.

Fe: means iron
Co: means cobalt
Cu: means copper
Ni: means nickel
Mn: means manganese
P: means phosphorus
Pd: means palladium
Pt: means platinum
Xmetal: means Xmetal Nickel Australia Pty Ltd
AUE: means Australian Mines Limited.

The information within this report is reliable to the extent that errors and omissions may reasonably be expected, however the Company has no liability for errors or omissions and no liability to any person acting on or refraining from acting on information in this report and content which is supplied in this report.

ANNUAL TECHNICAL SUMMARY

Corporate Snapshot:

Corporate: In October 2010
Share Price: A$0.145
Market Cap: A$16.8M
Issued Capital: 400.6 million Shares
Costs and receivables: Approx A$5.4M
Directors:
Craig Ian McGown (Non-Executive Chairman)
John Groom (Executive Director)
Alan Teicholz (Non-Executive Director)
Thom Yarwood (Executive Director)
Company Secretary:
John Allan Robbey
Principal Registered Office:
21 Ord Street, West Perth, Western Australia, 6005
PO Box 1700, West Perth, Western Australia, 6872
Telephone: (08) 9322 6974
Facsimile: (08) 9315 2233
Email: pioneer@PIOresources.com.au
Website: www.PIOresources.com.au
Auditor:
Barrie Settle (Audit) Pty Ltd
Unit 18, 1st Floor
156 Railway Road, Subiaco, Western Australia, 6008
Share Register:
Secure Registry Trustees Pty Ltd
273 Camberwell Road
Malvern, Victoria, Australia, 3144
Telephone: (03) 9699 0333
Facsimile: (03) 9699 2223
Email: pioneer@secureregistry.com.au
Securities Exchange Listing:
The Company’s shares are quoted on the Australian Securities Exchange
The Company’s Ipo Exchange is Perth
ASX Code: PIO

Dear Shareholder

On behalf of the Directors of Pioneer Resources Limited I am pleased to present the Annual Technical Summary for 2010. This year has seen the Mt Jewell Gold Project take priority for the Company and, following successful capital raisings, an extension financial commitment has been made for drilling for the next 12 months.

Key Events from the Year Included:

- Two Gold Deposits Discovered at the Mt Jewell Gold Project

The Mt Jewell Gold Project is now established as the Company’s priority exploration operation. This can be measured by actual exploration expenditure with 85% of the 2010-2011 exploration budget dedicated to this project, with approximately 10% of Mineral Resource drilling and an additional 5% of target generation drilling completed.

- Expanded Project Tenement Holding and New Gold Targets: Following the acquisition of the Golden Cities North tenements, which formed a natural adjunct to the existing project, new targets have been worked up and are being systematically prioritised and tested. These provide the Mt Jewell Gold Project with the best potential for new discoveries.

- Successful Capital Raising Ensures Momentum will be Maintained: The Company acknowledges the on-going support provided by shareholders again this year, with all share placements and Share Purchase Plan both significantly oversubscribed. With approximately $5.5 million in cash reserves, aggressive exploration programs will be maintained throughout 2011.

www.PIOresources.com.au
Mt Jewell Gold Project - a time to shine

Mt Jewell Gold Project (PIO 100%, Gold)
- Located 50km N of Kalgoorlie, WA
- Tregurtha and Hughes gold deposits identified
- Substantial additional resource acquired
- New gold targets identified along proven gold trends
- 9,954m of Mineral Resource definition drilling, and 6,022m of target generation RAB drilling completed during 2009-2010 year
- Metallurgical appraisal of 5 potential ore samples, with results showing high recoveries using conventional CIP gold extraction technology

Following tenement acquisitions during the year, the Mt Jewell Gold Project now comprises approximately 720km² of tenements covering a number of geological and structural environments considered favourable for gold mineralisation.

The project benefits from established infrastructure due to its close proximity to the mining centre of Kalgoorlie WA, with access via sealed roads, and with gas, rail and electricity nearby. A number of major gold mines operate in the area, including Paddington, Kanowna Belle and the Kalgoorlie Supercell.

Selected Intercepts from 2010 Drilling

**From Tregurtha**
- LDRC058: 17m at 2.62g/t Au from 35m
- LDRC048: 7m at 2.31g/t Au from 21m
- LDRC069: 20m at 2.00g/t Au from 52m
- LDRC068: 5m at 3.38g/t Au from 115m
- LDRC067: 7m at 6.29g/t Au from 35m
- LDRC065: 14m at 2.40g/t Au from 42m
- LDRC059: 21m at 2.85g/t Au from 89m
- LDRC059: 13m at 3.06g/t Au from 61m

**From Hughes**
- LDRC104: 11m at 3.29g/t Au from 38m
- LDRC103: 3m at 6.77g/t Au from 40m
- LDRC096: 3m at 8.03g/t Au from 121m
- LDRC094: 11m at 2.25g/t Au from 72m
- LDRC094: 2m at 11.72g/t Au from 66m
- LDRC093: 13m at 2.20g/t Au from 109m
- LDRC092: 10m at 4.15g/t Au from 74m

**From Golden Cities North Trend**

Selected targets are actively being tested by RAB and Auger drilling programs now.

Pioneer Resources Limited (ASX: PIO) is a specialist exploration company exploring for economic metal deposits in the Eastern Goldfields of Western Australia. The Company’s priority is to expand on its gold discoveries made at the Mt Jewell Gold Project, whilst maintaining an active pipeline of quality exploration projects.

Mt Jewell Gold Project: 750 square kilometres

At present, two structural trends have been identified for priority exploration, being the Lignum Dam Trend and the Golden Cities North Trend. Pioneer has developed a pyramid of targets from conceptual to drill ready prospects which are actively being tested by RAB and Auger drilling programs now.