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ASX/MEDIA ANNOUNCEMENT

EXPLORATION STARTS AT RAVENSTHORPE PROJECT

First Drilling at Historic Mine in 30 Years

Pioneer Nickel (**ASX: PIO**) is pleased to announce that the inaugural phase of a 7,000m drill programme commenced at the Ravensthorpe Copper Gold project yesterday.

Through a joint venture with unlisted Galaxy Resources Limited ("**Galaxy**"), Pioneer has the right to earn up to an 85% interest in the project, which is located approximately 10km southeast of Ravensthorpe, Western Australia.

The drilling programme will initially focus on a copper-gold target at the shallower, northern end of the historic Elverdton-Mt Desmond Mine where a broad halo of copper mineralisation is evident. The mine, which is situated within a 100km² project area, was once WA's biggest copper producer before it was closed more than 30 years ago.

The initial pass of drilling will target the top 100m of the deposit, with deeper drilling commencing when permits to clear drill sites have been received. The programme is designed to provide metallurgical samples for preliminary scoping work.

Pioneer Nickel Managing Director David Crook said the Ravensthorpe project represented a real opportunity for near-term production.



Mt Desmond Drill Site looking north, showing copper oxide mineralisation in the collapsed working. Old ventilation infrastructure is evident at the rear of the shot.

"Ravensthorpe has a history of copper and gold production going back to the 1890s but, away from the early mines, the district has been barely explored," he said.

"The strike length of the Elverdton-Mt Desmond workings is in the order of 850m making it a good sized initial target, however our geologists are looking for signs of a much larger system in the district".

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