

17 September 2009

ASX/MEDIA ANNOUNCEMENT

COMPANY UPDATE:

-
- **LIGNUM DAM DIAMOND DRILLING COMMENCES**
 - **RC DRILLING RESULTS UPDATE**
 - **GENERAL MEETING PRESENTATION**
-

1. Diamond Drilling Commences at Lignum Dam.

Diamond core drilling has commenced at the Company's 100% owned Lignum Dam Gold Project.

The diamond drilling program includes extensions to six reverse circulation drill holes which were drilled last month. Information from diamond drill core will be used by the Company's geologists when planning further drilling campaigns. Drill core (rather than RC cuttings) is also favourable for studying ore mineralogy and rock density.

The drilling program is expected to take 2 weeks and results will be released as they become available.

2. Individual Assays From Composite Samples

An additional 446 samples, from 21 of the 27 RC holes recently drilled, were submitted for assay. These samples, which had generally been submitted as 4-metre composites, returned aggregated intercepts with higher grade but slightly narrower than the original composite, having had marginal dilution excluded.

A drill hole summary, which includes the updated significant results from this round of drilling, is provided as Table 1. Diagrams, which include annotated drill hole layouts, are also included in the accompanying presentation.

3. Company Presentation

Please find attached a copy of the Company's Exploration Update Presentation which will be presented to shareholders at Pioneer's General Meeting, being held at 21 Ord Street, West Perth, at 10.00am today.

Yours faithfully



Managing Director

For more information please contact:

David Crook Pioneer Resources Limited Managing Director (08) 9322 6974 dcrook@PIOresources.com.au	Or Jon Snowball FD Third Person (08) 9386 1233 jon.snowball@fdthirdperson.com.au
---	---

Glossary

“g/t” means grams per tonne and refers to the amount of gold extrapolated to be contained in a tonne of sample.

“RAB” means Rotary Air Blast, an inexpensive method of exploration drilling which generates pulverised geochemical samples.

“RC” means Reverse Circulation, a method of drilling whereby pulverised sample is returned to the surface via a central tube running up the length of the drill pipe. Samples are much less prone to contamination, therefore may be used for ore reserve calculations.

“Diamond drilling” generates a solid cylinder (“core”) of rock, cut by a rotating diamond-faced drill bit. This is the most precise method of sampling and much more geological and geotechnical information can be gained from the core.

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a member of the Australasian Institute of Mining and Metallurgy and is a Competent Person with over 20 years experience in the minerals industry, including the activity reported. This person consents to the inclusion of this information in the form and context in which it appears in this report.

Table 1 Reverse Circulation Drilling From Lignum Dam Gold Project: All Significant Results							
Hole ID	North (m)	East (m)	From (m)	To (m)	Length (m)	Au (g/t)	Lower Cutoff
Hughes Prospect							
LDRC001	6,650,402	352,445				NSR	
LDRC002	6,650,400	352,403	69	74	5	0.84	0.5g
LDRC003	6,650,399	352,363	59	66	7	3.01	1.0g
LDRC003	including		62	64	2	5.08	3.0g
LDRC004	6,650,399	352,324				NSR	
LDRC005	6,650,595	352,802	61	64	3	7.69	1.0g
LDRC005	including		61	64	3	7.69	3.0g
LDRC006	6,650,595	352,759				NSR	
LDRC007	6,650,587	352,721	34	47	13	2.09	1.0g
LDRC007	including		36	40	4	3.91	3.0g
LDRC007	and		68	73	5	1.56	1.0g
LDRC007	and		78	80	2	1.60	1.0g
Tregurtha Prospect							
LDRC008	6,650,602	352,675				NSR	
LDRC009	6,651,201	351,980	60	80	20	0.71	0.5g
LDRC010	6,651,199	352,022	48	52	4	1.20	1.0g
LDRC011	6,651,202	352,062				NSR	
LDRC012	6,651,198	352,100				NSR	
LDRC013	6,651,256	351,982	97	102	5	1.53	1.0g
LDRC013	and		113	119	6	0.86	0.5g
LDRC014	6,651,262	352,023	38	40	2	3.53	1.0g
LDRC014	and		66	68	2	2.80	1.0g
LDRC015	6,651,261	352,065	43	51	8	8.55	1.0g
LDRC015	including		43	47	4	15.89	3.0g
LDRC016	6,651,261	352,097	42	44	2	1.81	1.0g
LDRC016	and		55	62	7	2.75	1.0g
LDRC016	and		66	69	3	2.99	1.0g
LDRC017	6,651,343	351,978	48	52	4	4.24	1.0g
LDRC017	including		49	51	2	6.76	3.0g
LDRC017	and		82	84	2	1.85	1.0g
LDRC018	6,651,340	352,025	37	39	2	1.04	1.0g
LDRC019	6,651,344	352,061	49	52	3	1.20	1.0g
LDRC020	6,651,302	352,060	34	44	10	5.72	1.0g
LDRC020	including		34	42	8	6.59	3.0g
LDRC021	6,651,299	352,025	35	39	4	1.41	0.5g
LDRC021	and		58	71	13	7.73	1.0g
LDRC021	including		60	68	8	11.46	3.0g
LDRC021	and		79	82	3	2.23	1.0g
LDRC022	6,651,298	351,986	43	50	7	3.76	1.0g
LDRC022	and		76	89	13	1.99	1.0g
LDRC022	and		115	119	4	1.68	1.0g
LDRC023	6,651,290	351,908	155	159	4	0.66	0.5g
LDRC023	and		167	174	7	0.80	0.5g
LDRC024	6,651,332	351,901	140	153	13	1.94	1.0g
LDRC024	including		140	142	2	4.07	3.0g
LDRC025	6,651,405	351,841				NSR	
LDRC026	6,651,400	351,724				NSR	
LDRC027	6,651,257	352,044	43	49	6	1.30	0.5g
LDRC027	and		89	97	8	2.80	1.0g



David Crook, Managing Director
General Meeting

An emerging, successful explorer

September 2009



DISCLAIMER AND COMPETENT PERSONS STATEMENT

- This presentation is provided to you for the sole purpose of providing preliminary background technical, financial and other information to enable you to review the business activities of Pioneer Resources Limited ("Pioneer").
- The material provided to you does not constitute an invitation, solicitation, recommendation or an offer to purchase or subscribe for securities.
- This presentation may contain "forward looking statements" which are made in good faith and are believed to have reasonable basis. However, such forward looking statements are subject to risks, uncertainties and other factors which could cause the actual results to differ materially from the future results expressed, projected or implied by forward looking statements.
- I am a Competent Person as defined by the 2004 JORC Code.
- I am a Member of The Australasian Institute of Mining and Metallurgy
- I verify that the presentation is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results.
- I consent to the release of the Presentation in this form.

Pioneer at a Glance

Pioneer is an emerging, successful explorer. Our share price is improving following initial exploration success in a hot commodity, gold.

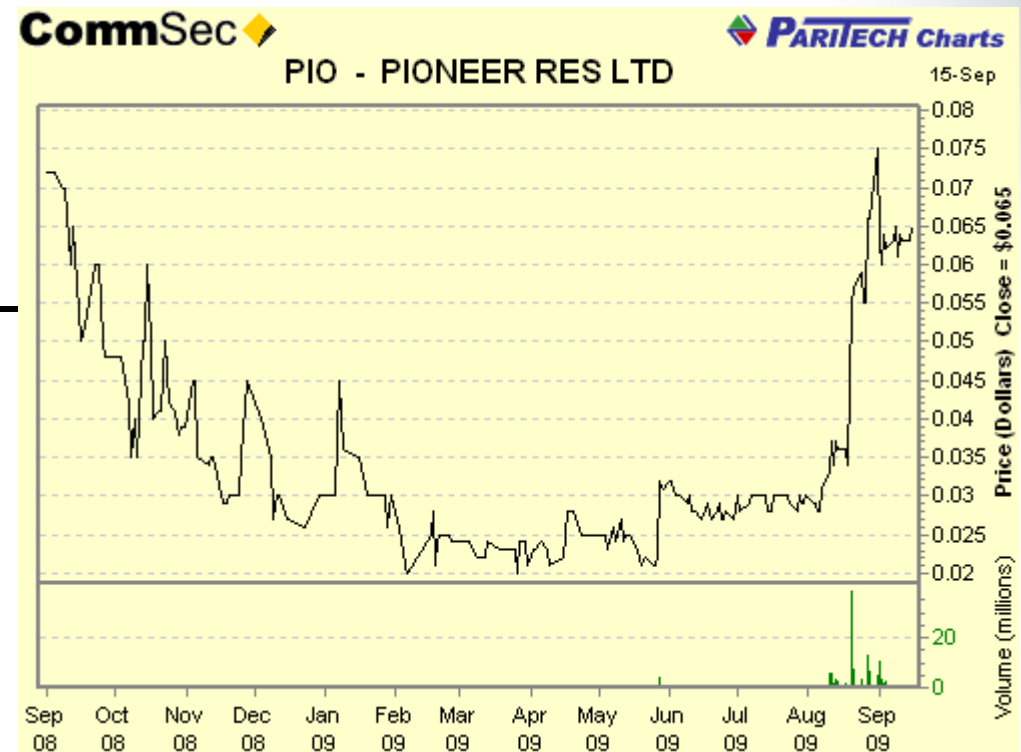
- Has 2,300km² of tenements near Kalgoorlie, Western Australia.
- Has made a significant new Gold Discovery 50km north of Kalgoorlie.
- The Lignum Dam Project:
 - shows good size potential,
 - has indications of high grade gold and
 - is close to existing major gold producers.
- Inaugural RC Drilling successfully completed. Significant and promising results returned.

Financial Snapshot

• Issued shares	221.0m
• Unlisted Options	11.85m
• Share Price	6.4c
• 12 Month Range	2.0 – 7.5c
• Market Capitalisation	\$14m
• Cash (approx)	\$1.8m

Largest Shareholders

Xstrata Nickel	9.7%
O Dupuy	3.8%
IJ Buchhorn	3.2%



Directors



Craig McGown – Chairman

An Investment Banker with over 35 years experience consulting to companies in Australia and internationally, particularly in the natural resources sector.

The former Chairman of DJ Carmichael and is now with New Holland Capital.



David Crook – Managing Director

The founding Managing Director since 2003.

A geologist with 30 years experience in the mining industry, including senior exploration, mining and management roles with a number of Australian and international companies.



Allan Trench – Non-Executive Director

A mineral economist, geophysicist, academic and business management consultant.

Previously held senior exploration and business advisory roles. Now a metals analyst with an international consultancy, professional company director, consultant, Adjunct Professor and author.

***If you have a good manager in a bad industry, then the industry will beat the manager.
Similarly, an average manager in a good industry will look like a star.
Pioneer is mindful of “which industry!”***

Pioneer has maintained a multi-commodity approach to exploration within a very large tenement portfolio in one of the worlds great mineralised provinces.

This has provided Pioneer with space and flexibility, which has resulted in the discovery of Gold at the Lignum Dam Project.

**GOLD IS CURRENTLY A
GOOD INDUSTRY**

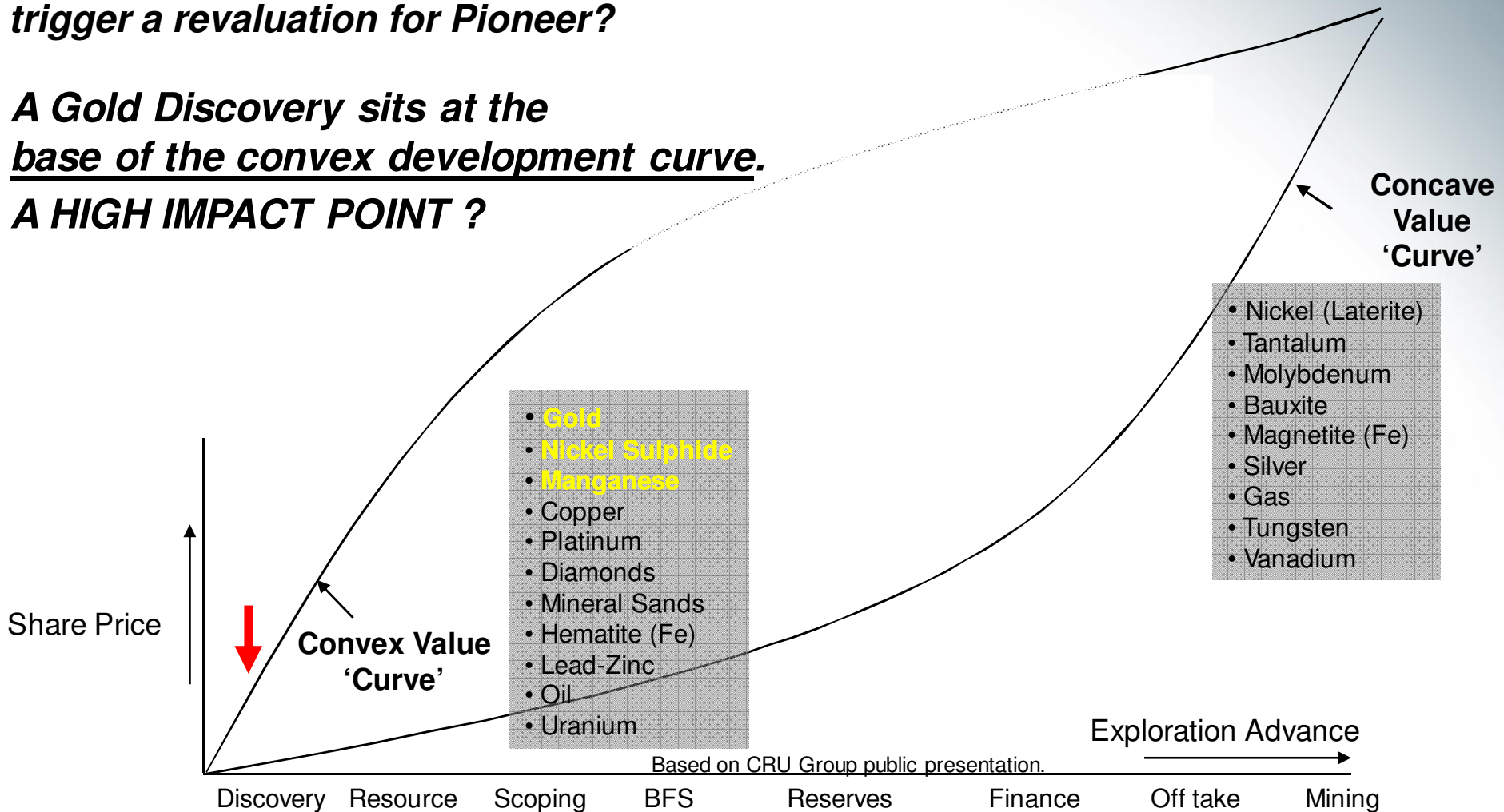


- Indicative forecast average 2011 prices versus January 2009 base
- From CRU Group public presentation March 2009.

An under-valued stock can stay under-valued for a long time. So what will trigger a revaluation for Pioneer?

A Gold Discovery sits at the base of the convex development curve.

A HIGH IMPACT POINT ?

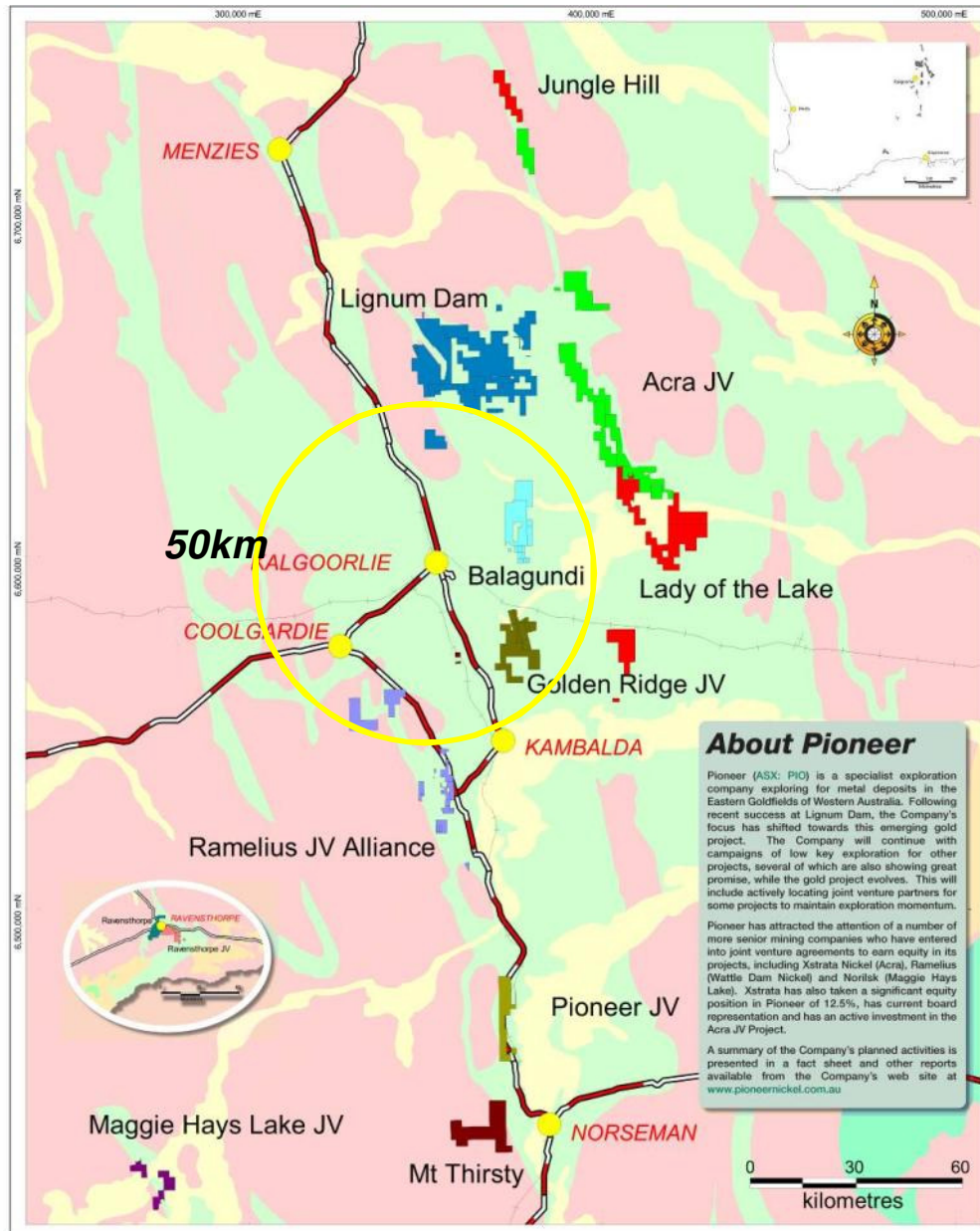


Truism

Pioneer holds a large strategically located landbank

Situated within an hour's drive of Kalgoorlie – 2,300km².

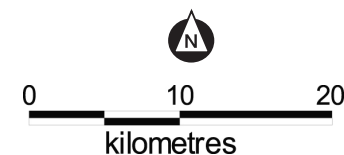
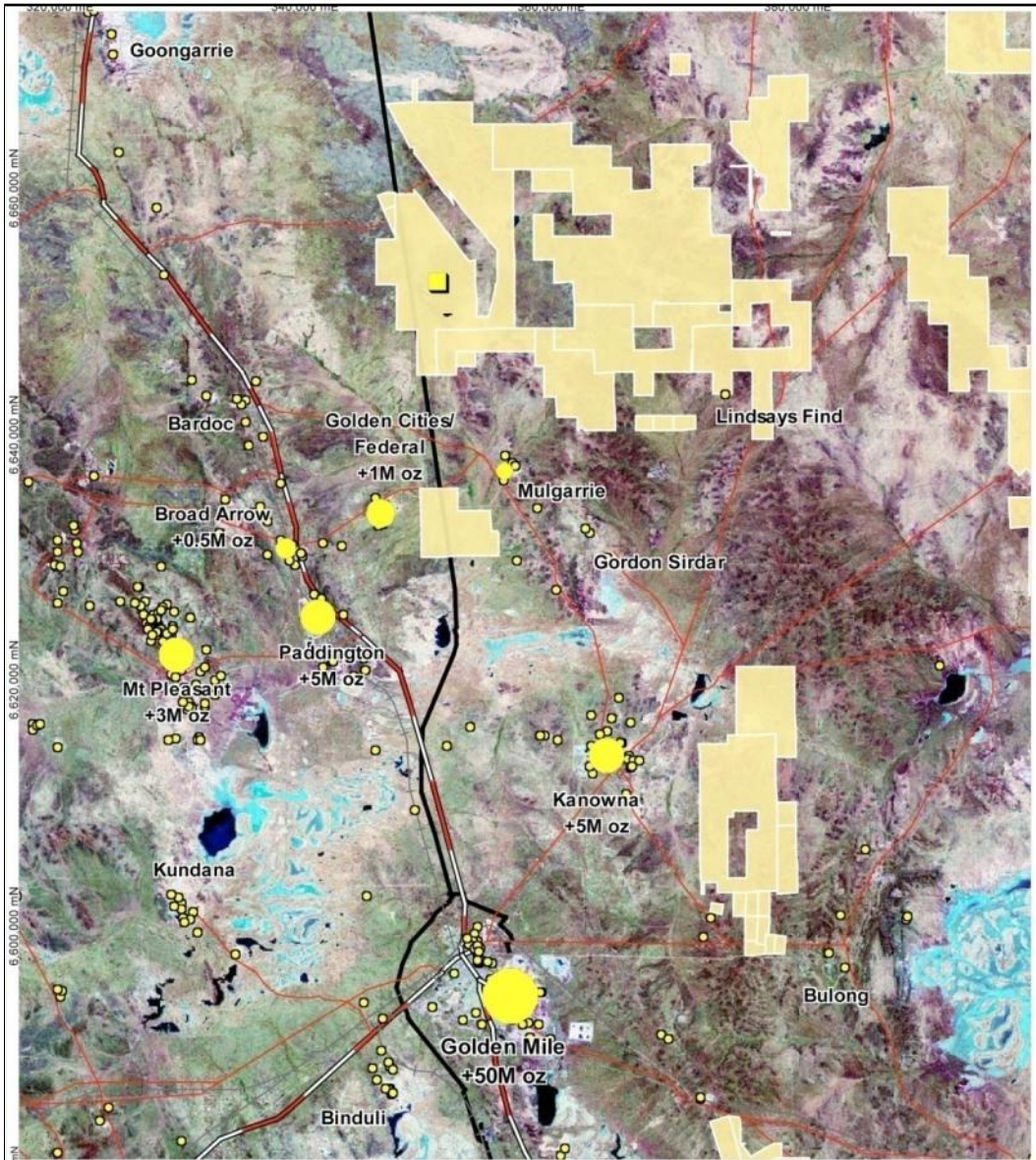
In the order of 100Moz of Gold has been produced within the map area - there is a good reason why it is called the Eastern Goldfields.



Lignum Dam Gold

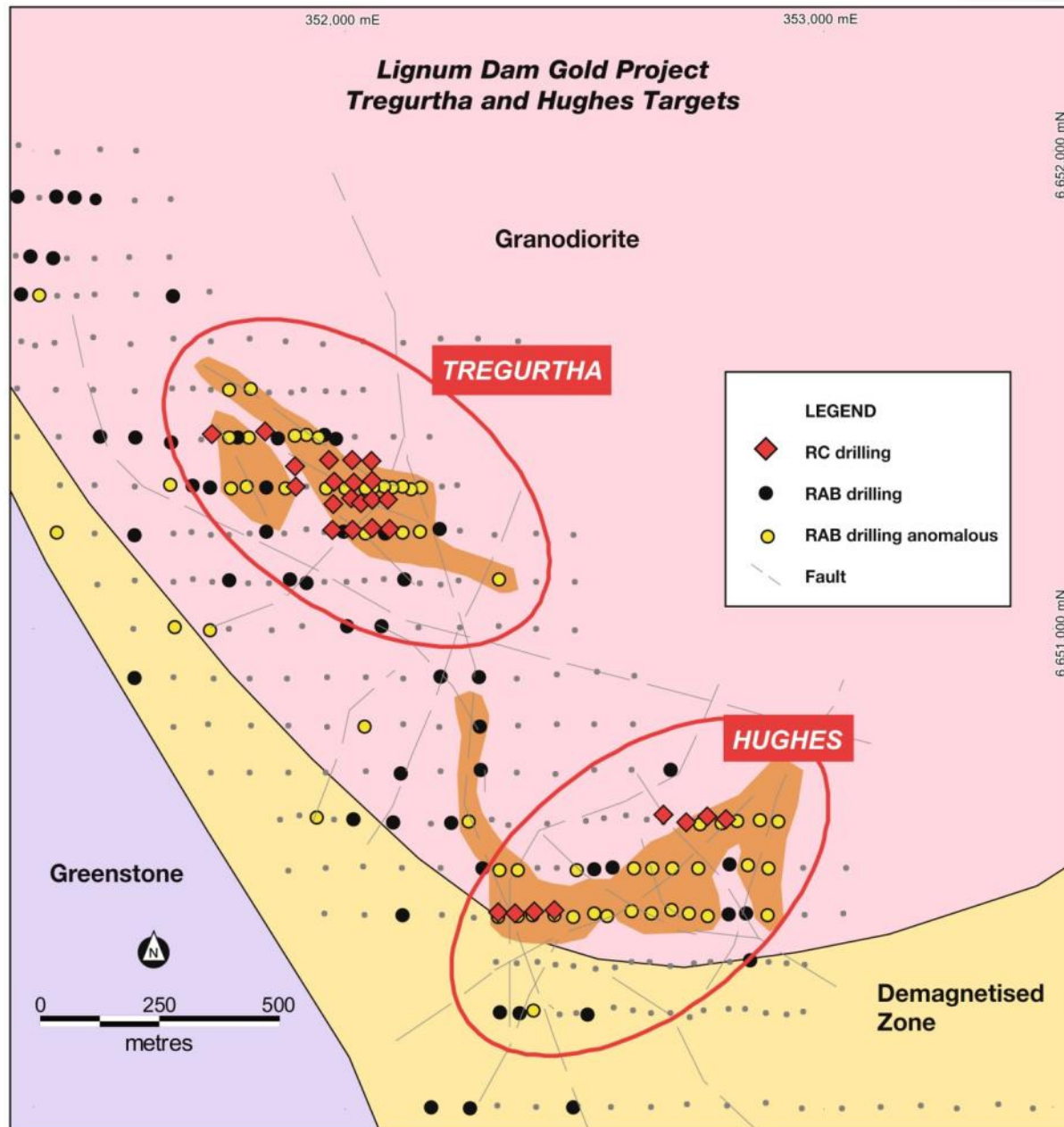
SSNW Project – 100% Pioneer

- A new gold project 50km from Kalgoorlie, WA
- Geological setting is similar to nearby Golden Cities / Federal Mines
- Pioneer's target is to identify a 1M oz mineral resource
- This project is close to existing milling facilities – may reduce project capital requirements
- Gold price is attractive in \$AUD



Lignum Dam

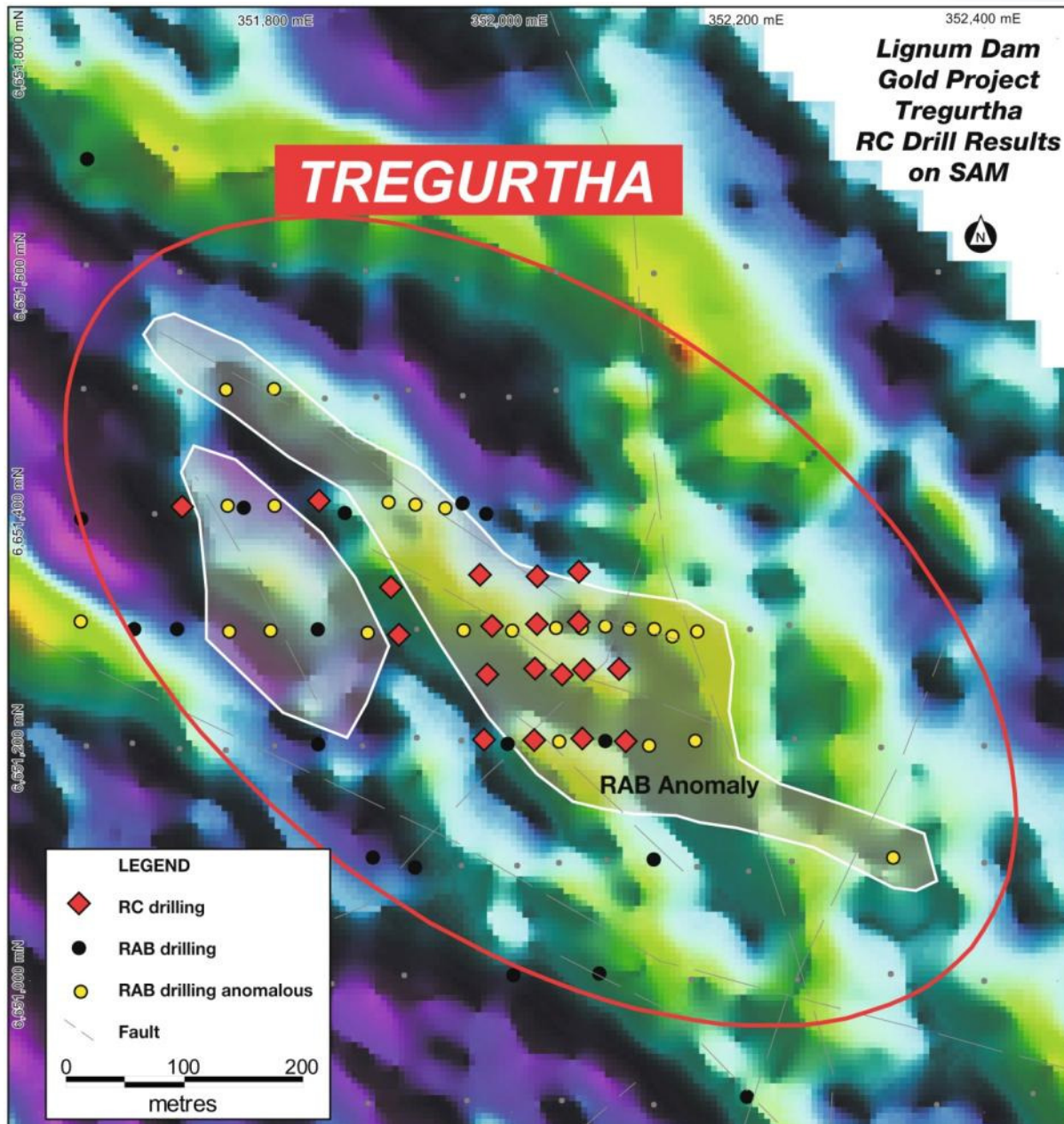
Multiple Gold Targets



- Anomalies are based on RAB geochemistry and SAM geophysics.
- Tregurtha RAB anomaly tested with 19 RC holes
- 16 holes intersected significant mineralisation
- Hughes RAB anomaly tested with 8 RC holes
- 5 holes intersected significant mineralisation
- Sub-Audi Magnetism ("SAM") is a technique that coincidentally measures conductivity and magnetic parameters

Tregurtha

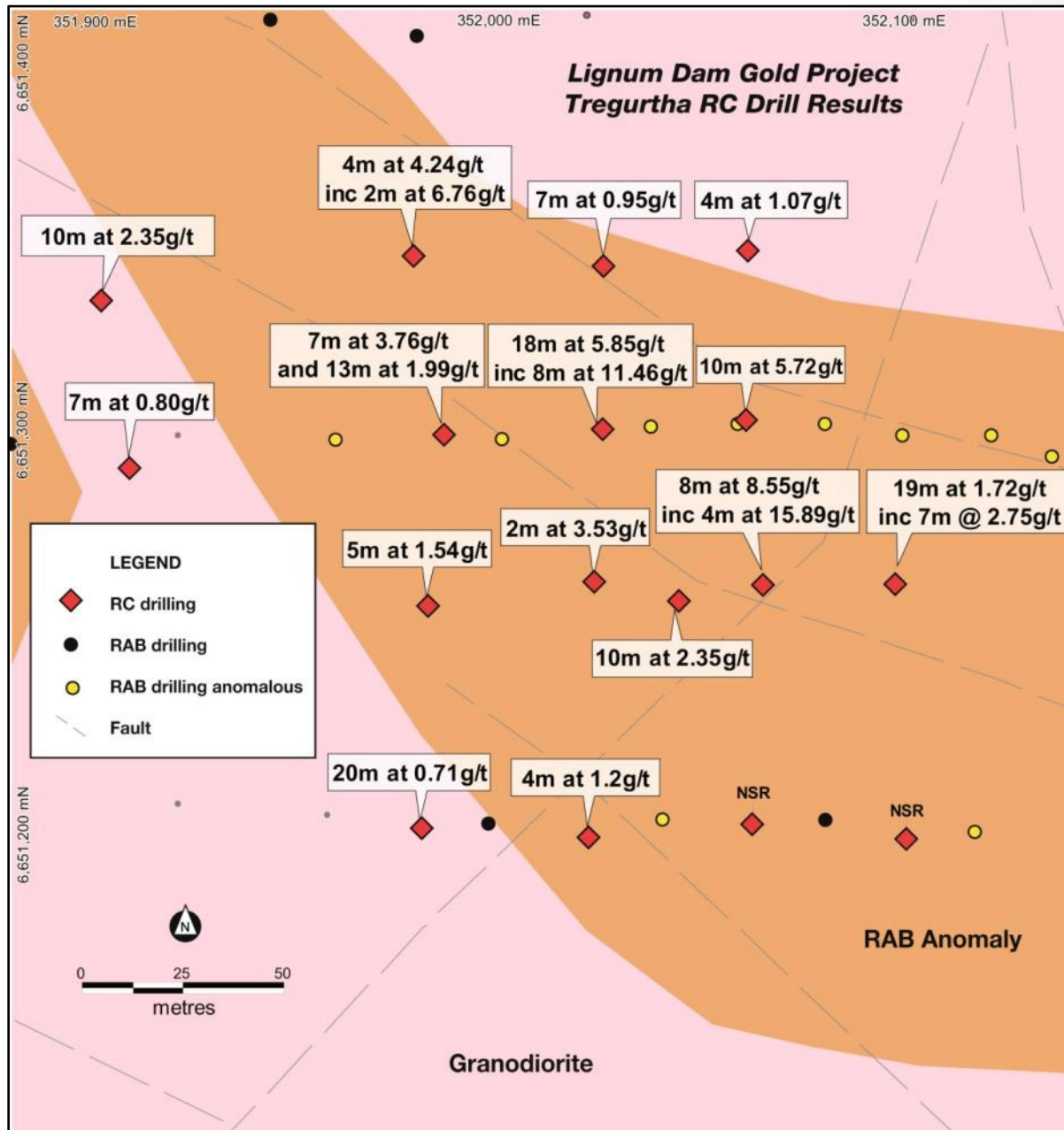
SAM Geophysics Aids Targeting



- Image of SAM geophysical data with NW orientated dipoles indicates conductive weathering zones at Tregurtha. Deep weathering is often evident over mineralised structures.
- This will aid follow-up drilling, indicating strike and strike extensions to mineralisation.

Tregurtha

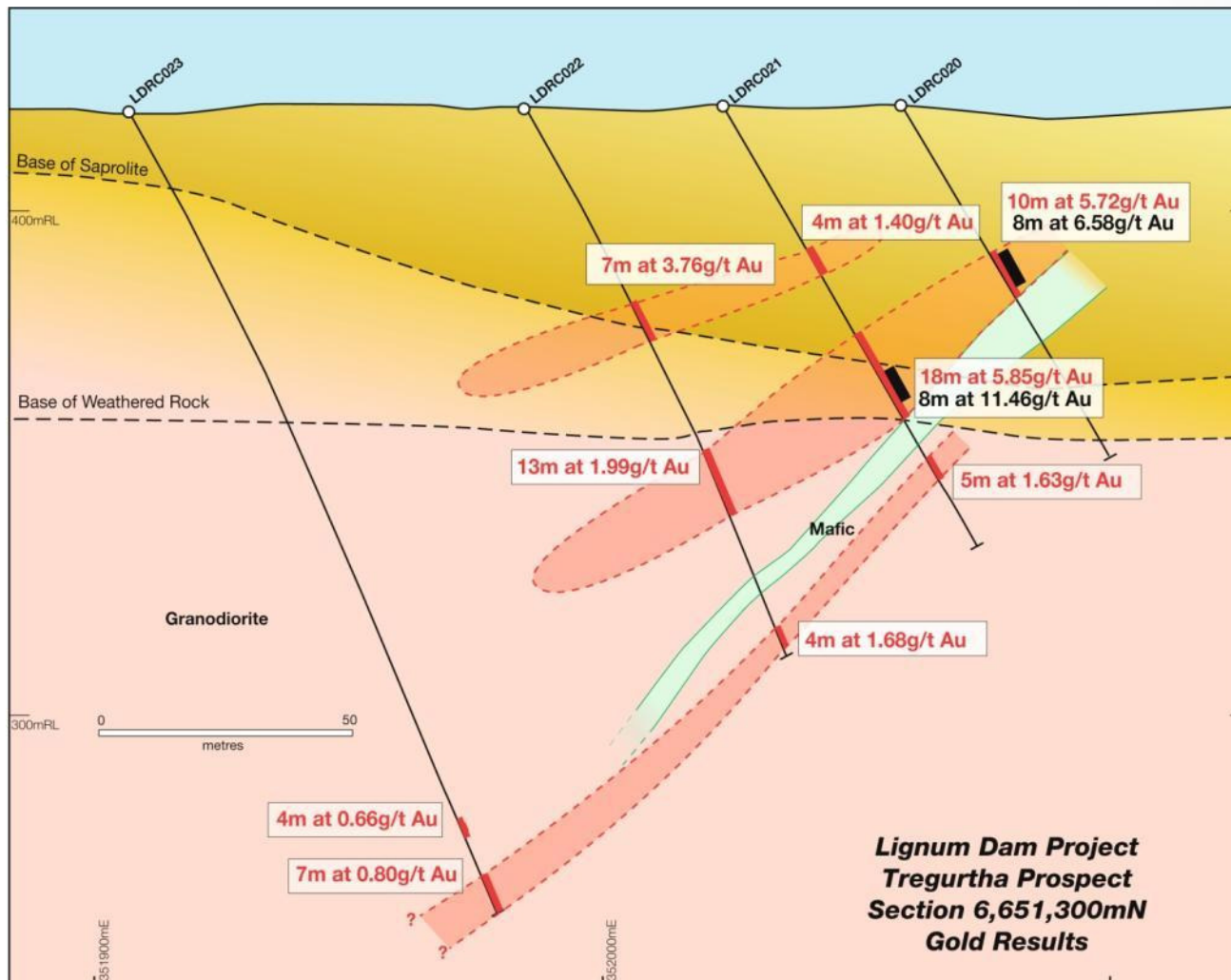
Shallow High-Grade Gold



- Significant high grade mineralisation intersected.
- Open north & south along strike, and down dip.
- Diamond drilling has commenced to confirm the strike of mineralised structures.
- Four RC holes will be deepened.
- Two new holes will test revised strike orientation.

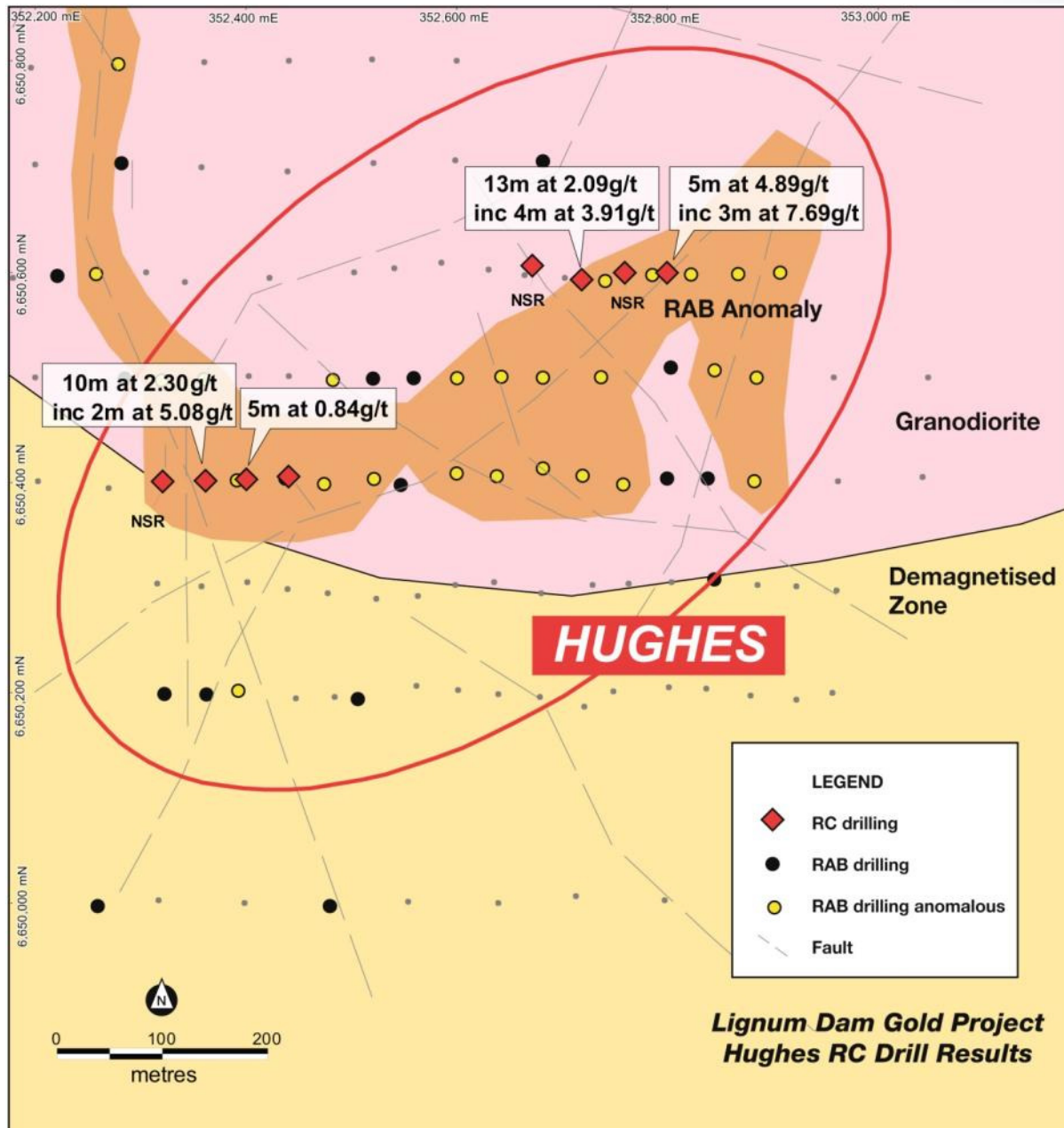
Tregurtha

Excellent First Pass Results



Hughes

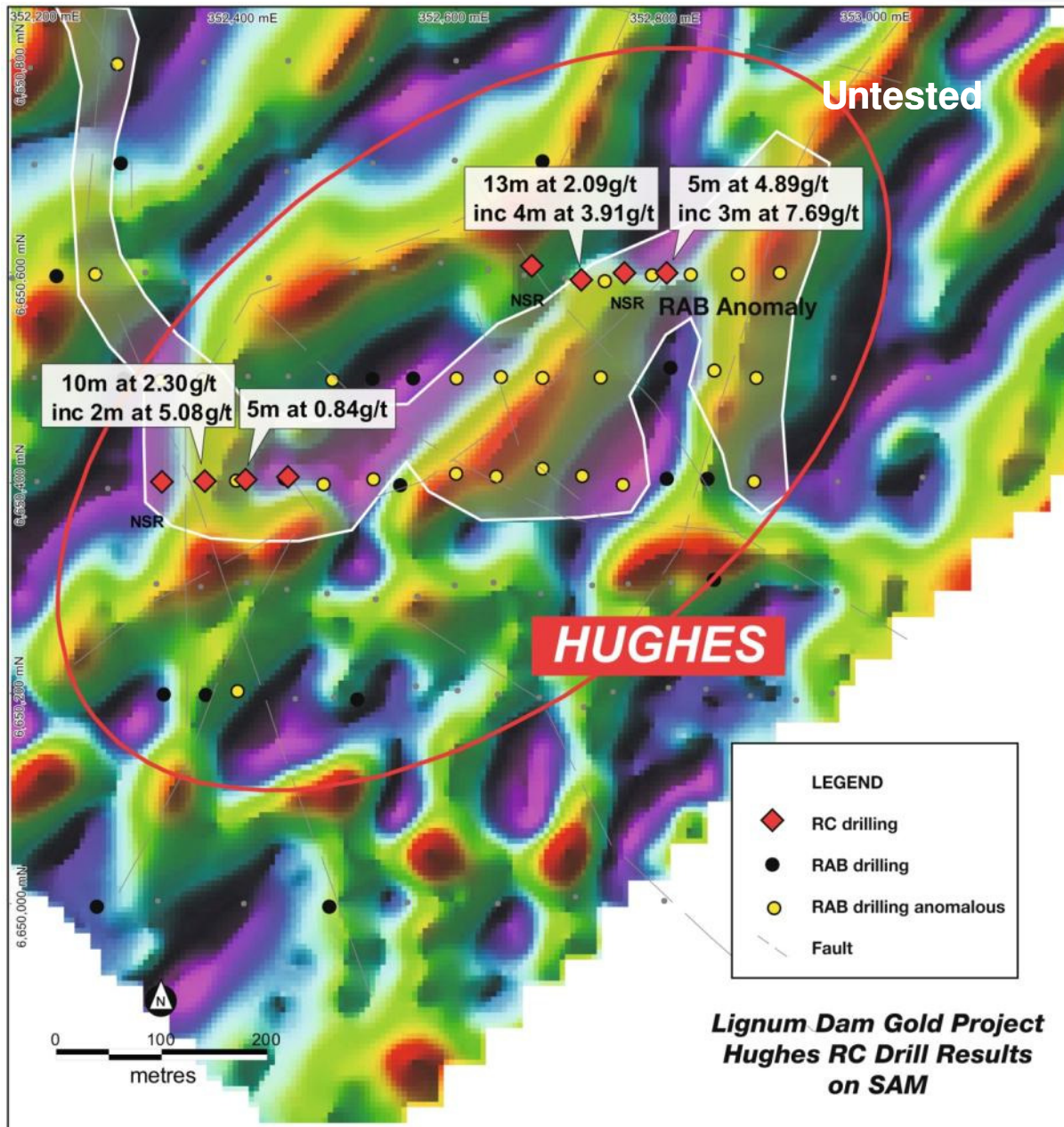
Significant Mineralisation from Initial Drilling



- Lengthy anomalous intercepts may indicate proximity to mineralisation which will be better sampled by a drill hole with a different azimuth.
- Diamond core drilling will be used to confirm the strike of mineralised structures.
- **LDRC003: 10m at 2.30g/t**
- **LDRC005: 4m at 4.89g/t**
- **LDRC007: 13m at 2.09g/t**
- **LDRC007: 20m at 1.56g/t**

Hughes

700m SAM Anomaly



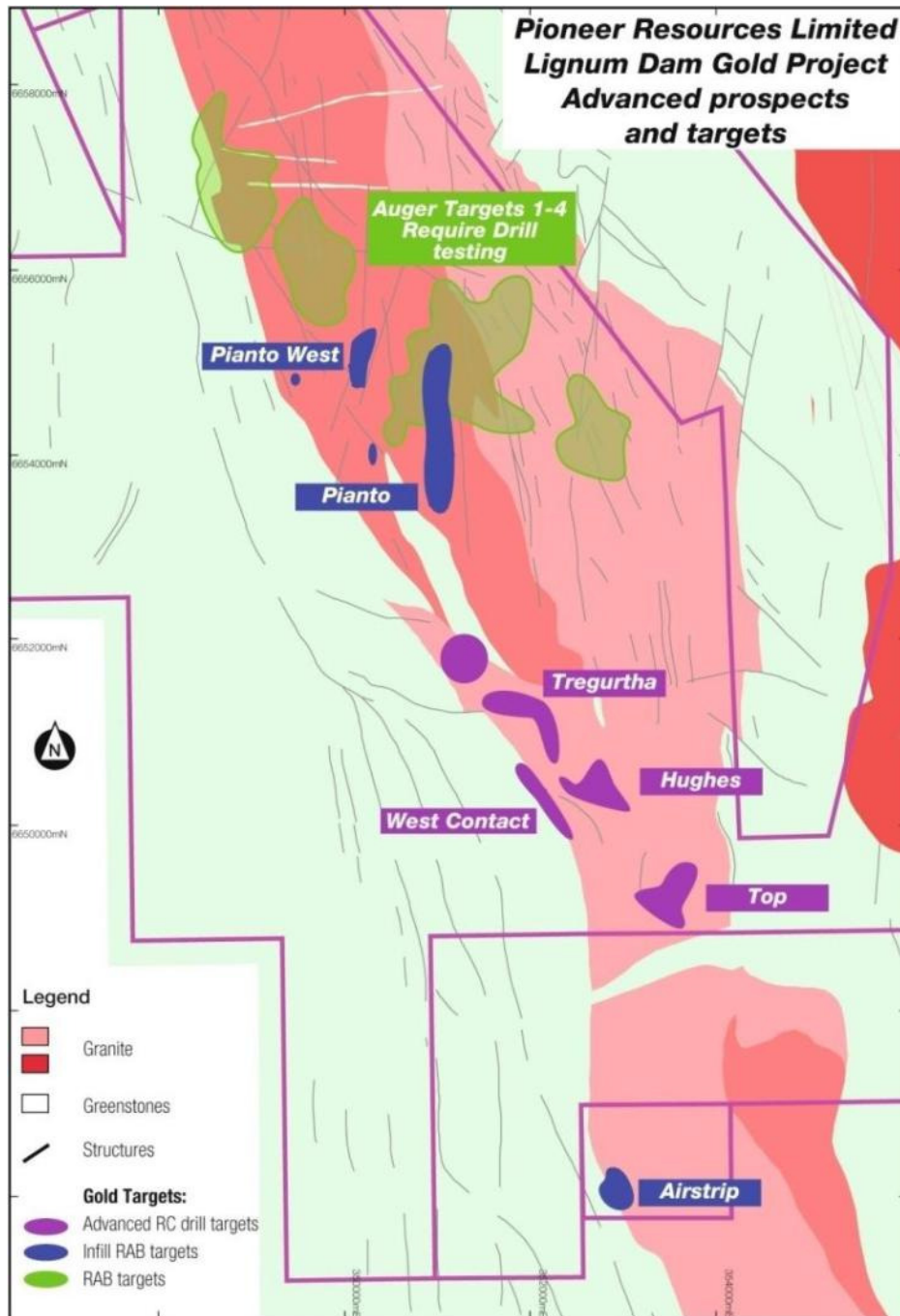
- Imagery of SAM geophysical data (this time with a NE dipole layout) shows mineralisation in both RAB and RC drilling aligns well with an ENE conductive feature.
- This interpretation indicates that RC drilling was undertaken at a very oblique angle to the mineralised strike.
- It also indicates untested potential to the ENE.

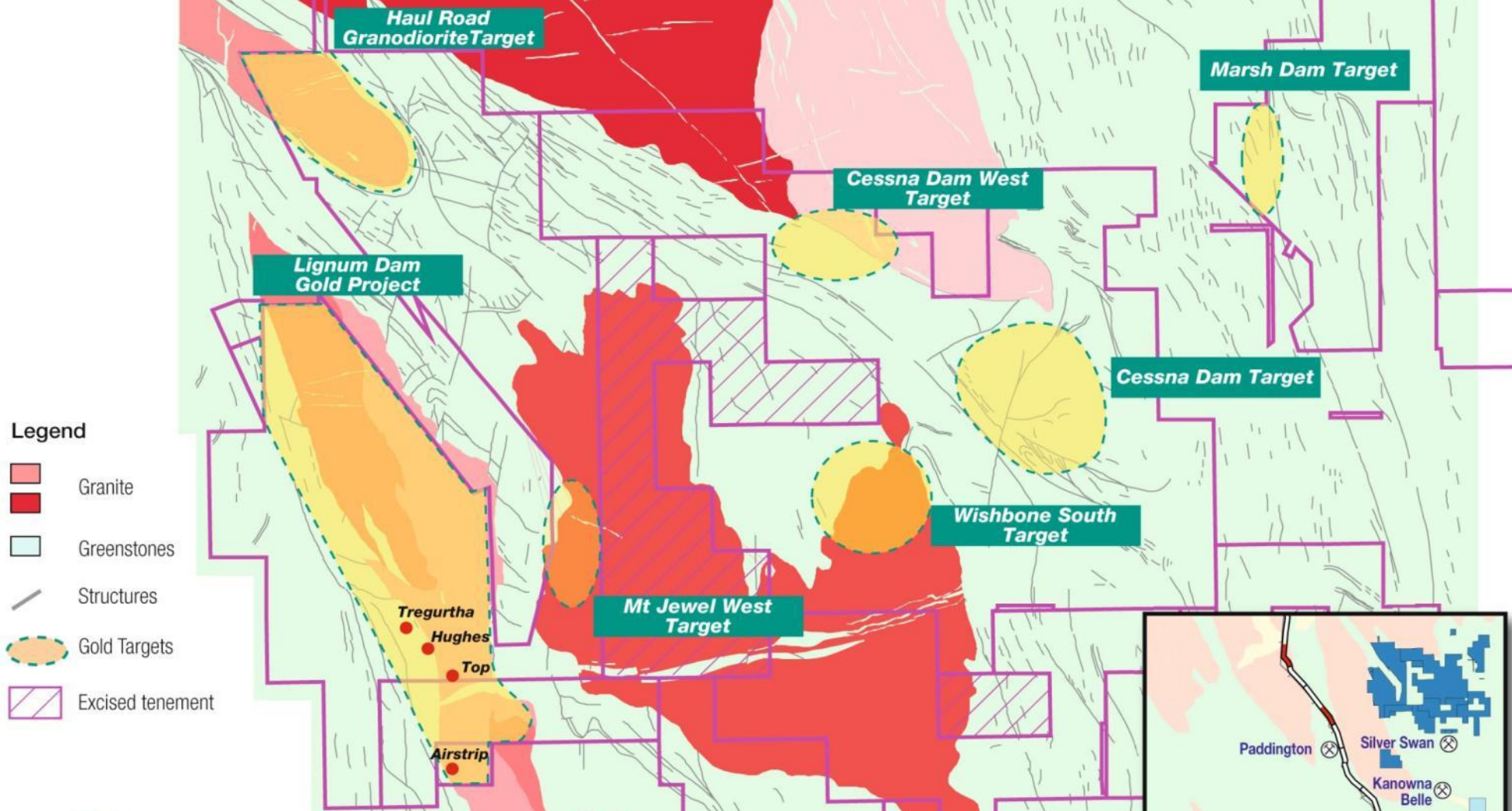
Lignum Dam Gold

SSNW Project – 100% Pioneer

**Multiple 2nd tier
targets identified**

- Within Lignum Dam more soil anomalies require RAB drilling
- More RAB anomalies require infill drilling
- Other RAB anomalies require first pass RC drilling
- Top and Airstrip Prospects require structural drilling
- Tregurtha and Hughes will be drilled out
- Six other soil anomalies in satellite locations require work (Next slide)





Regional Untested Gold Targets

SSNW Project – 100% Pioneer



Strong Project Pipeline

Golden Ridge JV (Leo's Dam) Nickel Project (PIO 56%)

The Leo's Dam Prospect has strongly anomalous nickel, copper and PGE assay results from shallow drilling - consistent with a magmatic nickel sulphide source.

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

As China's urbanisation plan advances, manganese will remain in demand. On average 7.5 kg of manganese is required per tonne of steel produced. Pioneer's Project is aided by established local infrastructure including the Town of Ravensthorpe and Port of Esperance.

Pioneer has applied for Government funding under a recently announced drilling initiative.

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

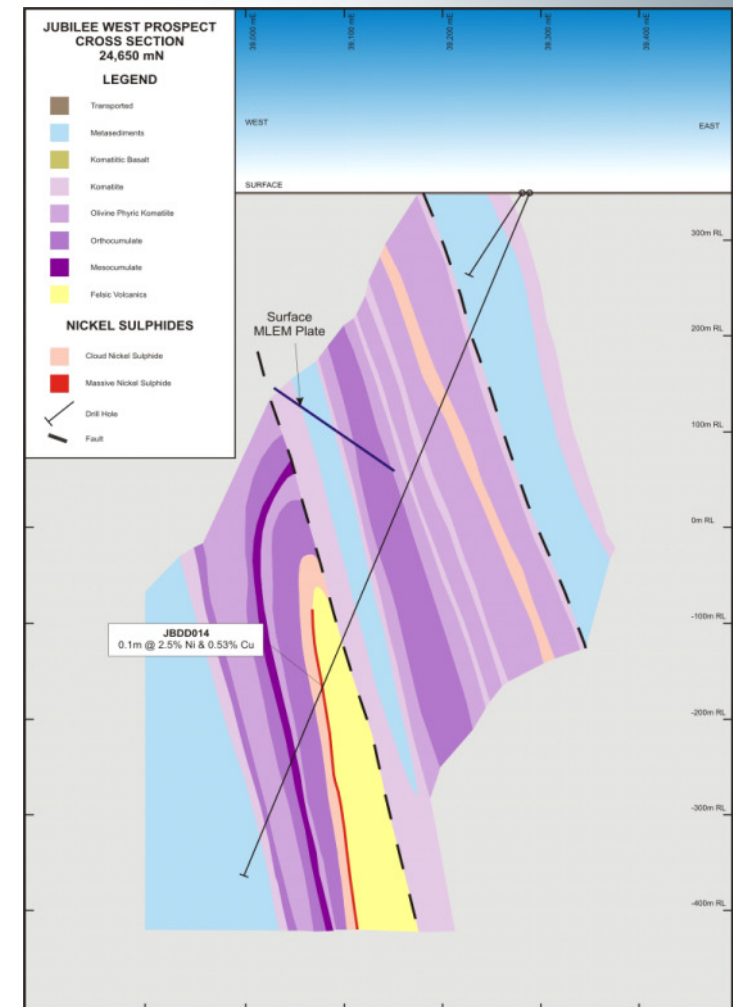
Tenement neighbours, BAR and FIS, are undertaking metallurgical, economic and engineering studies for their Mt Thirsty Cobalt Project. Positive study outcomes will enhance project value for Pioneer as ore types should be similar.

Nickel Sulphide potential is also recognised.

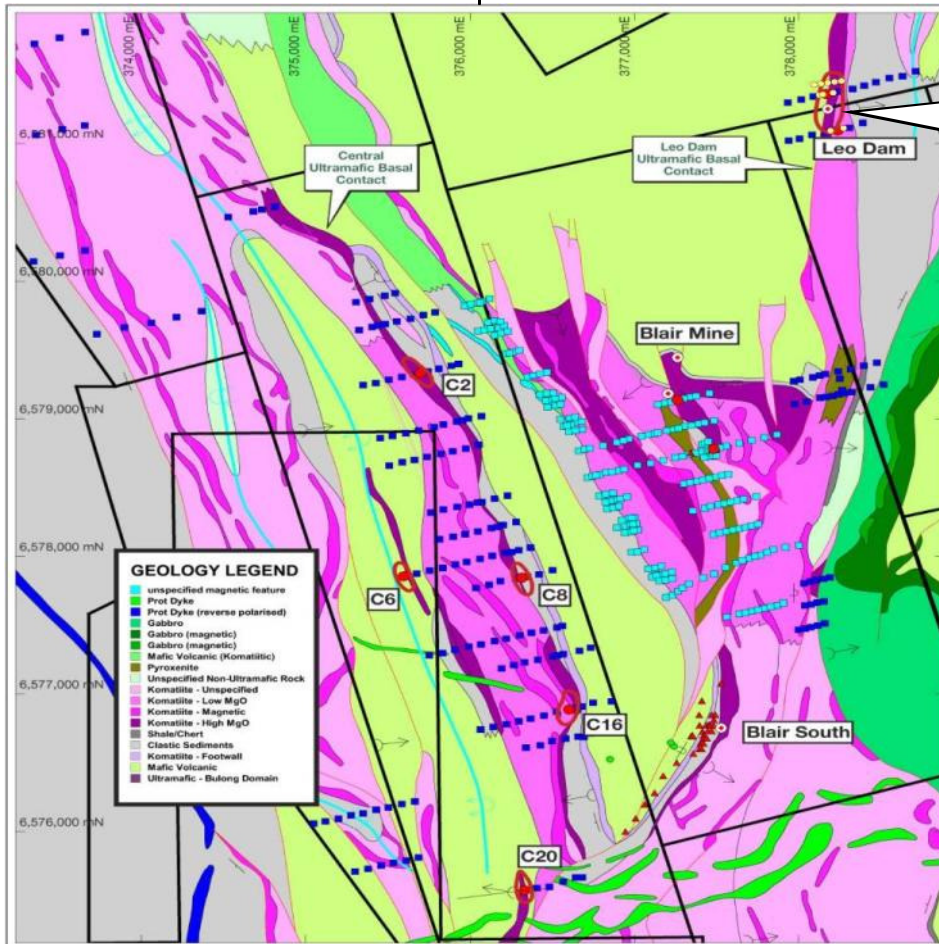
Acra Joint Venture Ni Project – 20% Pioneer

New Nickel Sulphide Targets

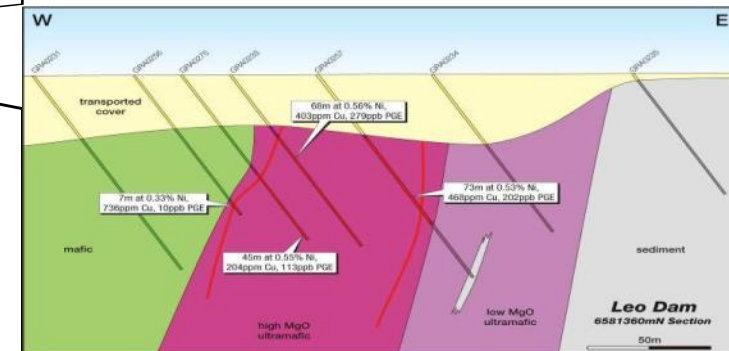
- Pioneer has resumed operational management of project with ***Xstrata funding all work***
- A two year budget totalling \$1.2M is established
- Pioneer will be then free-carried with a 20% project equity
- Intact mineralised basal contact intersected



Golden Ridge JV Ni Project – Pioneer 56%



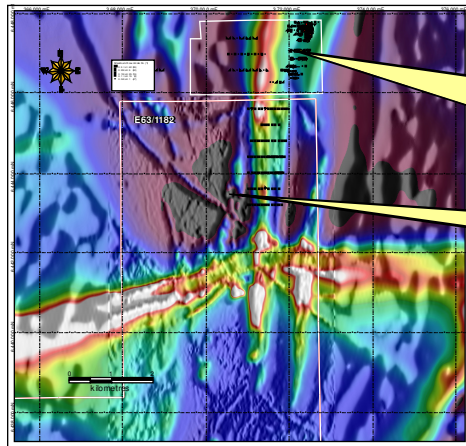
Priority Leo Dam Target discovered



70m at 0.60% Ni, 658ppm Cu and 344ppb Pd+Pt
 44m at 0.70% Ni, 1095ppm Cu and 452ppb Pd+Pt
 73m at 0.53% Ni, 468ppm Cu and 202ppb Pd+Pt

- Golden Ridge is 20km from Kalgoorlie
- Strongly anomalous nickel, copper and PGE drilled at Leo's Dam
- Untested basal contact in mine sequence 2km from Blair mine

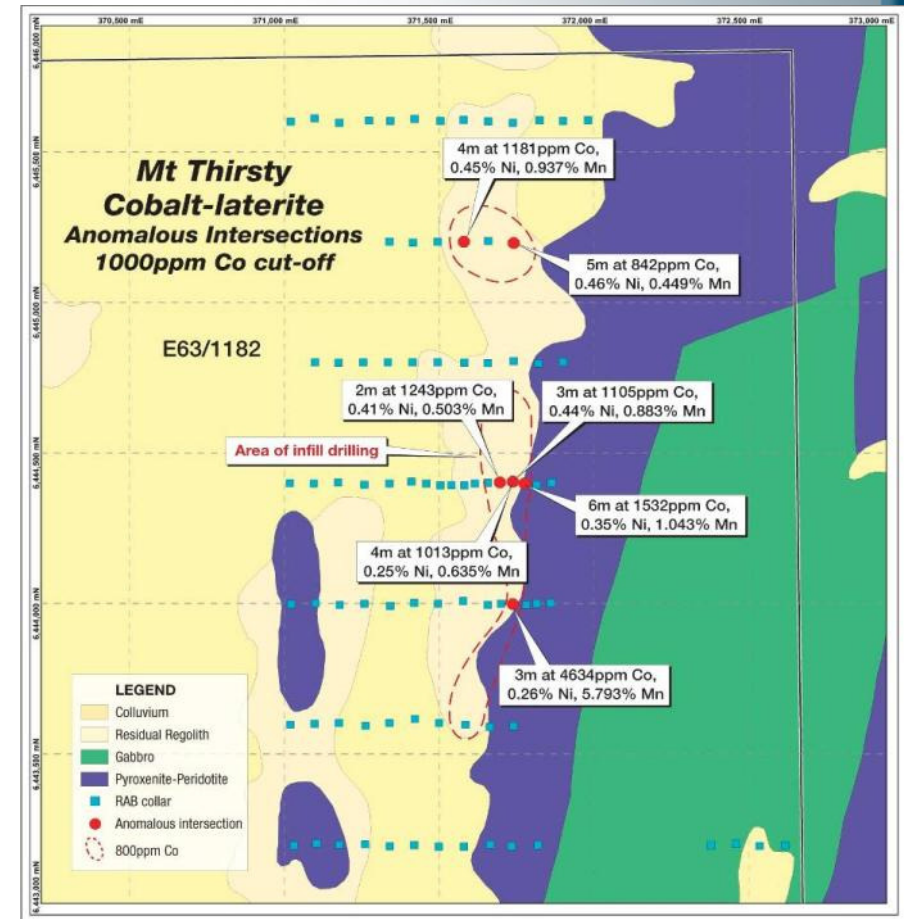
Mt Thirsty South Co-Ni Project – 100% Pioneer



BAR 50% FIS 50%
Mt Thirsty
21mt at 0.15% Co, 0.62% Ni

Mt Thirsty South
PIO 100%

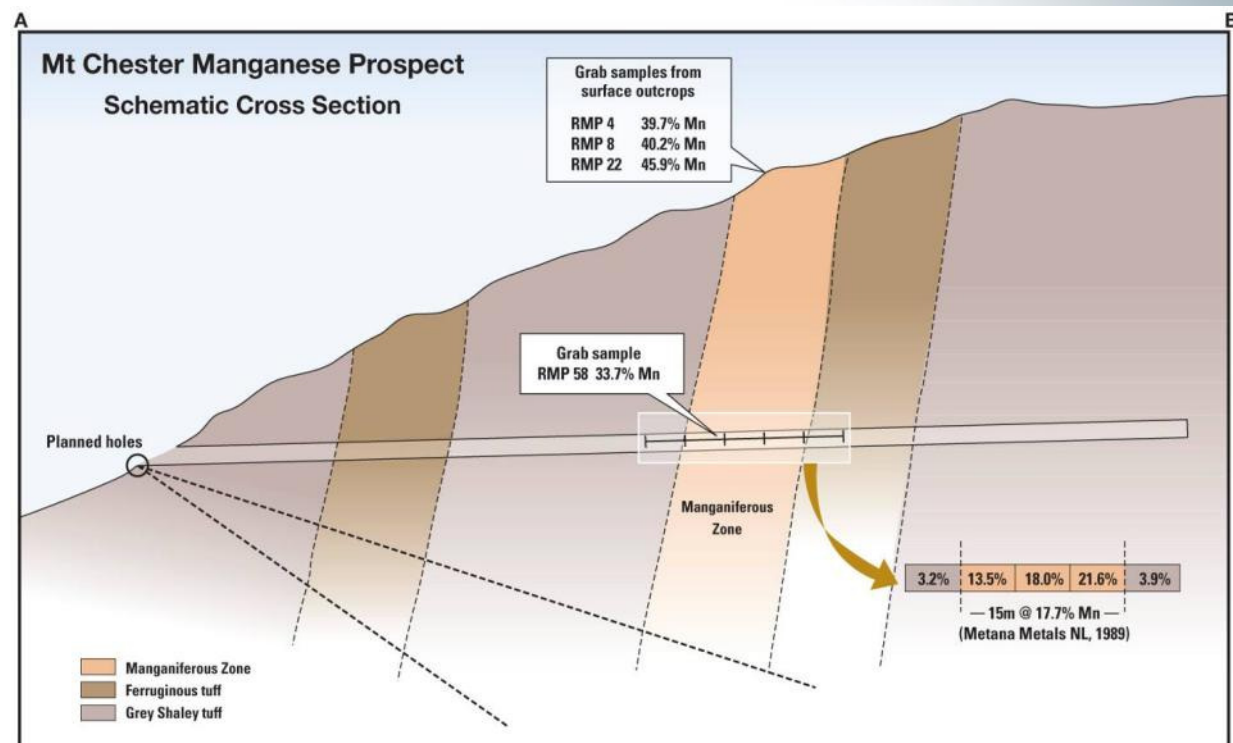
- Located near Norseman WA
- Scoping RAB drilling completed. Results included:
 - 6m at 0.15% Co, 0.35% Ni, 1.04% Mn, and
 - 3m at 0.46% Co, 0.26% Ni, 5.80% Mn.
- BAR and FIS are undertaking metallurgical, economic and engineering studies. Very encouraging results reported
- Positive study outcomes will enhance project value for Pioneer as ore types should be similar



RAB Drilling Confirms Potential.

Mt Chester Mn Project - 75% Pioneer

- Located 10km SE of Ravensthorpe
- High-grade manganese-rich mineralisation over a strike of 500m
- Rock chips commonly assayed between 30% and 49% Mn
- Anomalous manganese geochemistry returned north of known mineralisation. South has not been sampled yet
- Adit sampling conducted in the 1980s returned 15m at 17.7% Mn
- Project is aided by established local infrastructure: Ravensthorpe and Port of Esperance
- On average 7.5 kg of manganese is required per tonne of steel produced.



Why Pioneer....?

- **EXPLORATION SUCCESS THROUGH DISCOVERY**
- **HIGH IMPACT POINT IN PROJECT DEVELOPMENT**
- Has 2,300km² of tenements near Kalgoorlie, Western Australia.
- The Lignum Dam Project:
 - shows good grade and tonnage potential
 - has indications of high grade gold and
 - is close to existing major gold treatment facilities.
- Inaugural RC Drilling is complete – results are exciting
- Company is well funded and intends to fast-track exploration at Lignum Dam



Tel: +61 8 9322 6974
email: info@PIOresources.com.au

*Office: 21 Ord Street,
West Perth, WA. 6005*

*Postal: PO Box 1787
West Perth 6872*

www.PIOresources.com.au

ASX : PIO