

17 September 2009

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Company Announcements Office
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

SHARE PLACEMENT TO RAISE \$3 MILLION

Pioneer Resources Limited ("the Company") is pleased to announce that it will raise up to \$3,023,086 by way of a share placement, offering up to 58,136,272 ordinary shares at an issue price of 5.2 cents per share. Firm offers for the shares have been received from licensed brokers and the offer has also been extended to sophisticated investors in accordance with the Corporations Act 2001. The shares will be issued under the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1 and under the mandate to issue up to 25 million ordinary shares approved by shareholders today.

The funds raised will be applied to supplement planned exploration programs at the Lignum Dam Gold Project and to augment working capital.

The Company is pleased with the support received for this capital raising initiative and to enable it to supplement its existing cash reserves to ensure that the Company has funding in place to accelerate its planned exploration activities at the Lignum Dam Gold Project.

Yours faithfully

PIONEER RESOURCES LIMITED



David Crook
Managing Director

