



Investor Presentation

February 2004

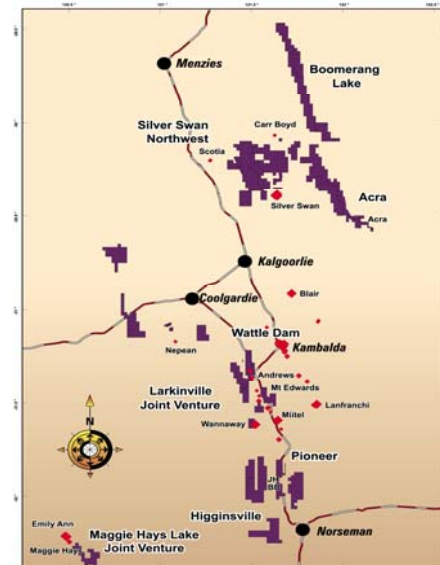
www.pioneenickel.com.au

Programme



- Introduction to Pioneer
- Opportunity provided by Pioneer
- Work completed since listing
- Forthcoming work

- Focused Nickel Sulphide Explorer
 - Eastern Goldfields and Tasmania
 - 2,433 km² tenement package
- Projects are close to existing mines
- Drilling success at Acra prospect
- Aggressive Geophysical programmes
- Drilling new TEM targets in March
- Raised \$5.5 M in December 2003 (\$4.77 M currently)
- Fully funded for at least two years



Pioneer Nickel listed on 4 December 2003 as a focussed NiS explorer. It acquired a large tenement portfolio, predominantly in the Eastern Goldfields of WA, however also holds the Heazlewood ultramafic complex and Whyte River projects in Tasmania.

The tenement portfolio contains Nickel Sulphide intersections and mineralisation indicators, specifically at the Acra project and the Pioneer deposit. Other projects are within close proximity along strike from other Nickel Sulphide-endowed locations, such as Wattle Dam (Andrews Shaft, McEwen, Zabel) and Acra-Jubilee (Silver Swan).

Many of the areas held by Pioneer have only recently started to receive the benefits of modern exploration techniques such as detailed aeromagnetic surveys, precise geochemistry and deep-seeking Transient Electromagnetic surveys.

Pioneer brings together a well funded company with an excellent tenement portfolio, combined with a team of specialist Nickel Sulphide explorers and consultants, using the Industry-Best technology available today.

Pioneer is also well placed to evaluate and acquire advanced stage or production opportunities as they become available.

- Craig Readhead Chairman
- David Crook Managing Director
- Ian Buchhorn Non-executive
- Allen Trench Non-executive

- Resources focus in skills and experience
 - Legal/corporate
 - Geological
 - Geophysical exploration
- Built an exploration team of NiS specialists

Director Craig Leslie Readhead B.Juris. LL.B.

Position Chairman (Non-Executive)

Craig Readhead is a lawyer with 25 years' legal and corporate advisory experience with specialisation in the resources sector. Mr Readhead is a partner of the law firm Pullinger Readhead Stewart and is a director of a number of listed and unlisted public companies involved in mining and exploration in Australia.

Director David John Crook BSc

Position Managing Director (Executive)

David Crook is a Geologist with 24 years' experience in exploration, mining and management, predominantly in Western Australia. Mr Crook has investigated Nickel Sulphide and Laterite, Gold, and other commodity resources and has held senior mining operations roles, including contract and joint venture management and corporate evaluations

Director Ian James Buchhorn BSc (Hons), Dip Geosci.

Position Director (Non-Executive)

Ian Buchhorn is a Mineral Economist and Geologist. He has worked on nickel, gold, lead-zinc and diamond projects in southern Africa. In Australia, Mr Buchhorn has worked on bauxite and industrial mineral mining and exploration, gold and base metal project generation, gold mine operation and in corporate evaluations. He has 30 years' experience as an economic geologist, and for the last 16 years, has acquired and developed projects throughout the Eastern Goldfields of Western Australia, commissioned several open cut gold mines and has been a Registered Mine Manager.

Director Alan Trench BSc (Hons), PhD, MSc (Min Econ), MBA (Oxon)

Position Director (Non-Executive)

Allan Trench is a mineral economist, geophysicist and business management consultant with experience including nickel, gold, vanadium and mineral sands. Dr Trench led nickel sulphide exploration teams for WMC Resources in the Widgiemooltha-Pioneer and Leinster-Mt Keith regions of WA in the mid-1990s. He subsequently joined McKinsey and Company serving a number of major minerals companies with corporate strategy development and operations improvement. Dr Trench is Adjunct Associate Professor in Mineral Economics at the Western Australian School of Mines

Capital structure and trading data



• Ordinary shares	43.9 M
• Options (XP: 25¢; Exp: Dec 2007)	7.0 M
• Current price (23 Feb)	19.5¢
• Trading range since listing	15-19.5¢
• Undiluted market cap (23 Feb)	\$8.4 M
• Notional diluted market cap (23 Feb)	\$9.9 M

	<u>Shares</u>	<u>Ownership</u>
Vendors		
- Heron	15.0m ⁽¹⁾	34%
- Kurana	1.0m	2%
Management	0.4m	1%
IPO \$4.5 Million at 20c	<u>27.5m</u>	<u>63%</u>
Total	<u>43.9m</u>	<u>100%</u>
Market Cap at 20c	\$7.68m	

(1) Heron will distribute its shareholder pro rata a minimum 6 month post listing

- Focused aggressive exploration programme
- Rapidly identify and quantify NiS targets; convert to resources
- Proven and innovative Electromagnetic (TEM) technology targeting known nickel provinces
- Experienced Board and Staff
- Proactive project evaluation

Pioneer is now fully staffed with excellent professionals and have engaged industry specialists Southern Geoscience Consultants and NewExco to facilitate geophysical exploration.

Our exploration approach has been to acquire and collate historical data before applying modern, widespread geophysical applications to prospective areas.

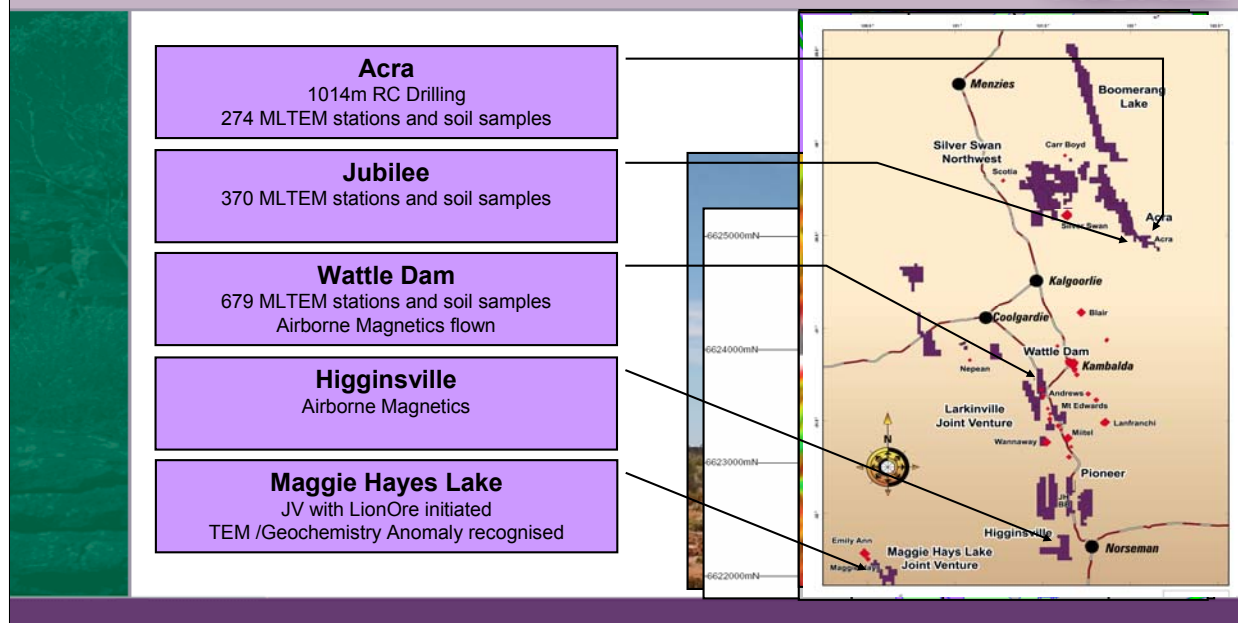
We are benefiting from the development of new TEM transmitter and receiver technology. We exclusively use SmartTEM receivers with RVR coils taking readings at both In-loop and slingram locations; and we are conducting an orientation using a Fluxgate B field magnetometer, which may provide better resolution in highly conductive environments.

PIONEER PROVIDES:

- Entry level price opportunity into a highly prospective NiS region
- Exposure to drilling of priority TEM targets now
- Significant tenement portfolio close to existing infrastructure
- No exposure to exploration funding risk

To the new investor, Pioneer provides:

- An opportunity to participate in a drilling programme testing new TEM targets in two NiS provinces. **This is due to commence immediately**
- Entry level price into projects within the highly prospective Widgiemooltha greenstone ultramafic sequence – we haven't been re-rated yet
- Exposure to a large tenement portfolio near existing NiS mineralisation and mines - We have six excellent projects
- No exposure to exploration expenditure risk- the company is well funded for the next two years



Work completed since listing includes:

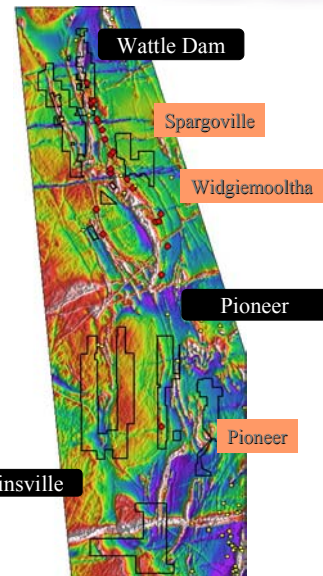
Four RC hole drilled for 1,014m at Acra intersecting magmatic nickel sulphides. There are many ultramafic units in Western Australia, but very few are sulphidated. These results confirm the high priority status of the acra-Jubilee area.

Hole	North (m)	East (m)	TD (m)	From (m)	To (m)	Intercept (m)	Ni (%)	Cu (%)	Pt+Pd (ppm)
ARC015	21,828	3,656	303	220	240	21	0.60	0.06	0.154
Including				235	236	1	1.07	0.053	0.271
ARC016	21,773	3,739	303	247	251	4	0.52	0.042	0.25
ARC017	21,880	3,571	303	201	220	19	0.60	0.038	0.224
Including				201	203	2	1.26	0.09	0.399

274 MLTEM stations surveyed at Acra generating 2 conductors;
 370 MLTEM stations at Jubilee generating 2 conductors;
 644 soil samples at Acra and Jubilee;
 Commenced 1100 MLTEM/SlingRam/Fluxgate stations at Wattle Dam; and
 Aeromagnetic surveys at Wattle Dam and Higginsville;

Highly endowed Widgiemooltha NiS province

- Pioneer has
 - existing ore-grade NiS intercepts
 - 59km of ultramafic stratigraphy
 - Geochemically anomalous targets
- Jan: Detailed Aeromagnetics
- Feb-March: Detailed TEM surveys
- March: Drilling at Wattle Dam, Jubilee
- June Qtr04: Pioneer, Wattle Dam, Higginsville



Widgiemooltha Greenstone Belt

The image is of magnetic intensity. All rocks have a different magnetic intensity and therefore this image acts as a pseudo-geological map. Ultramafic rocks, which host nickel sulphide deposits, are amongst the most magnetic rocks and show up as linear whites and red colours.

The Widgiemooltha Greenstone Belt is one of Australia's most prolifically endowed nickel sulphide provinces, with occurrences from the Spargoville (Andrews shaft) to the north, to Pioneer's JH and BB deposits to the south.

Most exploration conducted during the late 1960s and early 1970s was centered at the Widgiemooltha Dome, when the majority of the known deposits were identified, including Redross, Miitel, Wannaway (now held by Mincor) and the Widgiemooltha central deposits (held by Titan).

More recent exploration by Titan immediately south of Pioneer's Wattle Dam project has extended the knowledge of resources at McEwan, Zabel and Armstrong.

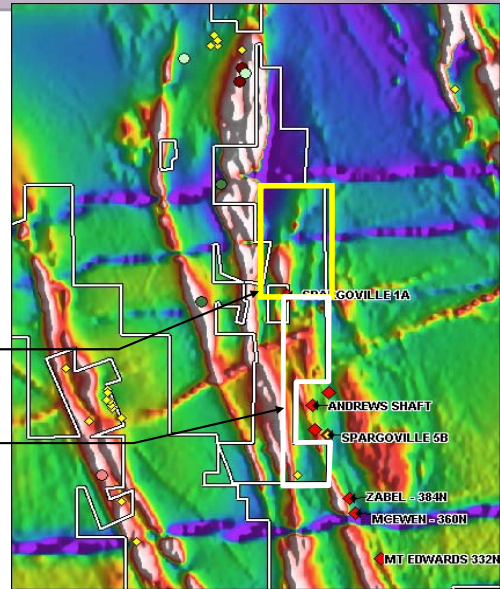
Pioneer is well into its TEM survey at Wattle Dam with drilling expected to commence during March 2004.

- Widgiemooltha Mine Sequence
- Neighbours
 - Spargoville-Andrews shaft (12,000t)
 - Mount Edwards (Titan projects)

TEM survey status

50% of 1,140 planned MLTEM stations and soil sampling complete

Remaining Survey



Wattle Dam

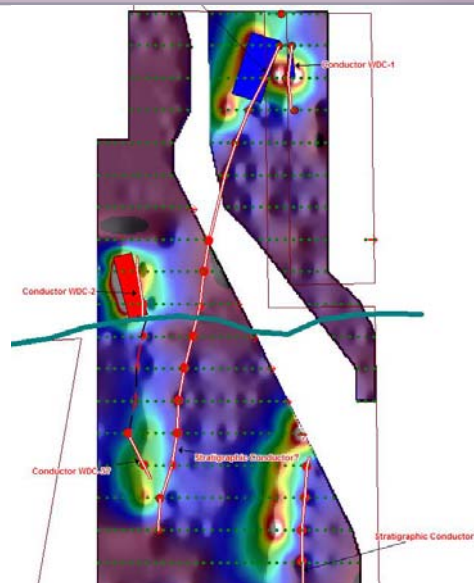
The area was explored during the mid 1970s which resulted in the establishment of the the Andrews Shaft underground mine with a resource of 0.65Mt at 2.47% Ni. Other deposits, the 1A, 5A and 5B have been identified and more recently partially mined, however with the development of the 5D deposit, systematic exploration within the project area ceased.

Pioneer views that this project has not been evaluated with modern exploration technology, and provides an excellent opportunity in a well mineralised geological setting.

The Wattle Dam project targets komatiites that are the strike extensions of the Spargoville 1A and 5A, 5B and 5D Nickel Sulphide deposits, covering an 18km N-S strike of the mineralised ultramafic-black shale contact. To the south, the same unit hosts deposits including Mt Edwards, Widgiemooltha, Miitel and Redross.

1,140 station moving loop
Electromagnetic survey

Drilling to commence in March



TEM Survey – Wattle Dam

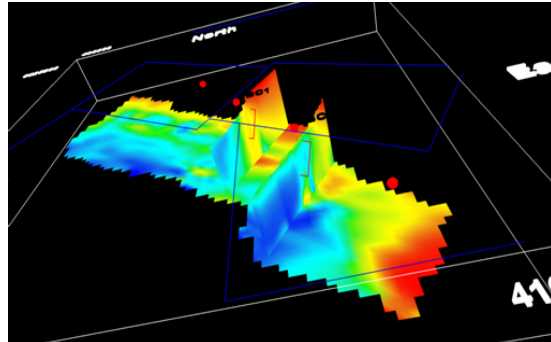
The image is of “late time conductivity”.

Nickel Sulphide is a very conductive rock, a characteristic that may be measured using TEM surveys. Other rocks, such as black shale and sulphidic chert, are also conductive, however these “stratigraphic conductors” usually have a long strike length reflecting their sedimentary origin and also the conductive response often decays moderately quickly.

The responses in this image are for conductivity following 192ms of decay time. Stratigraphic conductors have largely decayed, leaving short strike-length, long decay time, strong conductors which are consistent with the response expected from a massive sulphide body.

The red and blue polygons represent conductive tabular plates with an orientation that would generate such a response. These are our priority drill targets.

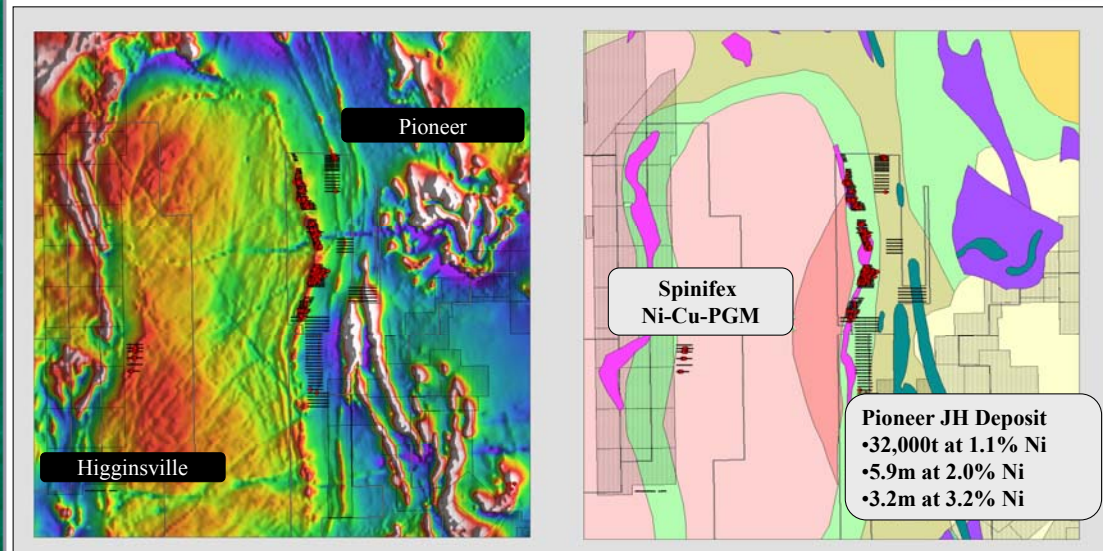
- Two distinct Ultramafic Channel systems
- Widespread disseminated sulphides at Acra
- NiS Gossan at Jubilee
- Aeromagnetic interpretation
- New TEM surveys identify 4 drill targets



This image shows conductivity images in section and plan for the TEM anomaly at Jubilee.

Within the central section the vertical yellow feature is the drill target at Jubilee.

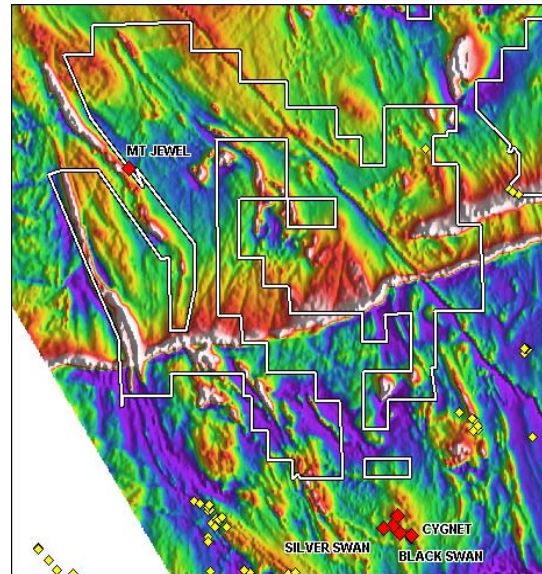
This target will be further refined using fixed loop TEM before the final drill hole collar position is nominated.



Pioneer has 6 Western Australian projects with high priority nickel sulphide targets. As baseline information is acquired for each project Pioneer will then move onto the next. We believe that the public has provided us with a two-year mandate to explore these projects for nickel sulphide in an aggressive manner, with the funding in hand.

The Pioneer project provides tenure to Widgiemooltha Greenstone belt ultramafics south of the Widgiemooltha Dome. Newmont explored the area during the late 1960s and successfully determined that the belt is sulphidated. Of particular note is that reported drilling grades are consistent with historical mined grades (2.5% Ni) for the Widgiemooltha and Kambalda areas.

- Along strike from Silver Swan
- Aeromagnetic interpretation
- Ultramafics identified, partially tested
- Surface TEM planned May 04



Silver Swan Extended

The Silver Swan Extended Project provides tenure to komatiite sequences on the eastern limb of the Scotia Kanowna Anticline. The project area is NW along strike of the Silver Swan nickel mine operated by Mining Project Investors Pty Ltd (MPI) and OM Group Inc. The southern boundary of Pioneer's project is 6.5 km NW from the Silver Swan Mine, which, with a grade of 14 % Ni, is the highest bulk grade recorded for a Western Australian Nickel deposit. Nickel Sulphide is also recognised at Mt Jewel, 30 Km NW of Silver Swan. Mt Jewel forms an excision within Pioneer's tenement holding.

A study of detailed aeromagnetic data, currently in train, will facilitate the location of ultramafic channels stratigraphically related to the known sulphide occurrences, bearing in mind that at the Kambalda and Widgiemooltha nickel mining centres Nickel Sulphide ore bodies tend to occur in clusters.

Milestones to monitor



- | | |
|---|--------------|
| • Complete Acra-Jubilee modelling | Complete |
| • Complete Wattle Dam TEM, modelling | Feb-April 04 |
| • Drill Wattle Dam, Acra-Jubilee TEM targets | Mar-April 04 |
| • Commence programmes Pioneer, SSNW, Higginsville | June Qtr 04 |
| • JV program with LionOre initiated | June Qtr 04 |



David Crook
Managing Director
T: + 61 (0)8 9091 6974
E: dcrook@pionernickel.com.au

Visit our website and join our elist

ASX:PIO

www.pionernickel.com.au