



PIONEER RESOURCES LIMITED

ABN 44 103 423 981

and its controlled entities

**Interim Financial Report
for the
Half-Year ended 31 December 2012**

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2012 and any public announcements made by Pioneer Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

PIONEER RESOURCES LIMITED

ABN 44 103 423 981

and its controlled entities

CORPORATE DIRECTORY

DIRECTORS

Craig I McGown
Independent Non-Executive Chairman

David J Crook
Managing Director

Allan Trench
Independent Non-Executive Director

Thomas W Spilsbury
Independent Non-Executive Director

JOINT COMPANY SECRETARIES Julie A Wolseley
Susan Hunter

PRINCIPAL REGISTERED OFFICE

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AUDITOR

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Unit 16, First Floor
100 Railway Road
Subiaco
Western Australia, 6008

SHARE REGISTRY

Security Transfer Registrars Pty Limited
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Applecross
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STOCK EXCHANGE LISTING

The Company's shares are quoted
on the Australian Securities Exchange.
The Home Exchange is Perth.

ASX CODE

PIO - ordinary shares

PIONEER RESOURCES LIMITED

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PIONEER RESOURCES LIMITED
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DIRECTORS' REPORT

Your Directors present their report on the condensed consolidated financial statements for the half-year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The following persons held office as Directors of Pioneer Resources Limited during the half-year and until the date of this report:

***Craig Ian McGown* – B.Comm, FCA, ASIA**
Independent Non-Executive Chairman

Mr McGown was appointed a Director on 13 June 2008. Mr McGown is an investment banker with over 35 years experience consulting to companies in Australia and internationally, particularly in the natural resources sector. He holds a Bachelor of Commerce degree, is a Fellow of the Institute of Chartered Accountants and an Affiliate of the Financial Services Institute of Australasia. Mr McGown is an executive director of the corporate advisory business New Holland Capital Pty Ltd and prior to that appointment was the chairman of DJ Carmichael Pty Limited. Mr McGown has had extensive experience in the corporate finance sector, including mergers and acquisitions, capital raisings in both domestic and international financial markets, asset acquisitions and asset disposals, initial public offerings and corporate restructurings.

Mr McGown holds directorships in Bass Metals Ltd and Peel Mining Limited. Mr McGown is also the Vice President – Corporate Development for Marengo Mining Limited.

***David J Crook* – B.Sc, MAusIMM, MAICD**
Managing Director

Mr Crook was appointed a Director on 11 August 2003. Mr Crook was appointed the inaugural Managing Director of Pioneer on 11 August 2003. Mr Crook is a geologist with over 30 years of experience in exploration, mining and management, predominantly within Western Australia, where he has investigated gold, nickel sulphide, nickel laterite and other commodities in teams with an excellent discovery record. He has held senior management roles, including the Pioneer IPO, exploration management, project acquisitions, JV negotiations and capital raisings.

In Australia Mr Crook's operational experience has included tenement identification to ore reserve calculations for gold and base metal projects; and a decade engaged in operating gold mines. Prior to Pioneer his career highlights included participation in the discovery of the Radio Hill Nickel Mine, ore generation and early production and at the Gidgee Gold Mine during the 1980-1990s and, prior to Pioneer, he was for 7 years, the exploration manager at Heron Resources Limited.

***Allan Trench* – B.Sc (Hons), Ph.D, M.Sc (Min. Econ), MBA (Oxon), ARSM, AWASM, MAusIMM, GAICD**
Independent Non-Executive Director

Dr Trench was appointed a Director on 8 September 2003. Dr Trench is a mineral economist, geophysicist and business management consultant with minerals 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 1990's. He has subsequently worked with McKinsey and Company, KCGM Pty Ltd and is now with CRU, an independent business analysis and consultancy group.

Dr Trench currently holds directorships in Navigator Resources Ltd Limited, Venturex Resources Limited, Hot Chili Ltd, Enterprise Metals Limited and Trafford Resources Limited (all listed on ASX) and Acadian Mining Corporation (a listed company on TSXV).

PIONEER RESOURCES LIMITED
and its controlled entities

DIRECTORS' REPORT

DIRECTORS (Continued)

Thomas Wayne Spilsbury – *B.Sc (Hons), M.Sc (Geology), P. Geology (B.C.), FAusIMM, MAIG, GAICD*
Independent Non-Executive Director

Mr Spilsbury was appointed a Director on 4 January 2010. Mr Spilsbury is a geologist who received his B.Sc. (Honors Geology) in 1973 from the University of British Columbia and his M.Sc. (Applied Geology) in 1982 from Queens University in Ontario. He brings over 35 years of experience in mineral exploration and management, including 28 years with Teck Cominco Limited and was their former General Manager, Exploration – Asia Pacific. In this role, he held responsibility for managing an extensive exploration portfolio including large-scale gold and base metal projects in Australia and China. Mr Spilsbury has worked throughout Western Canada, the United States, Asia and Australia.

Mr Spilsbury currently holds directorships in Minco Silver Corporation, GGL Resources Corp and International Lithium Corp. (all TSX or TSXV listed).

The Directors named above each held office as at 31 December 2012.

JOINT COMPANY SECRETARIES

Julie Wolseley – *B.Com, CA, MAICD*

Ms Wolseley is the principal of a corporate advisory company with over 20 years' experience acting as company secretary to a number of ASX listed public companies operating primarily in the resources sector. Previously Ms Wolseley was an audit manager both in Australia and overseas for an international accounting firm. Ms Wolseley also holds a directorship in OM Holdings Ltd.

Susan Hunter – *B.Com; ACA; F Fin (GDipAFin(SecInst)); MAICD(Dip); ACIS(Dip)*

Ms Hunter is the principal of a corporate advisory company with over has over 18 years' experience in the corporate finance industry. She has held senior management positions in Ernst & Young, PricewaterhouseCoopers, Bankwest and a boutique corporate advisory firm.

Ms Hunter holds a Bachelor of Commerce degree from the University of Western Australia majoring in Accounting and Finance, is a Member of the Australian Institute of Chartered Accountants, a Fellow of the Financial Services Institute of Australasia and a Member of the Australian Institute of Company Directors. She is also a Member of the Institute of Chartered Secretaries and Administrators and Chartered Secretaries Australia and she is currently Company Secretary for four ASX listed companies and one private company.

REVIEW OF OPERATIONS

The consolidated entity recorded an operating loss after income tax for the half-year ended 31 December 2012 of \$591,626 compared to the 31 December 2011 operating loss after income tax of \$1,165,435.

During the half-year the consolidated entity incurred a total of \$2,087,644 on exploration expenditure and a further \$1,528,501 was attributable to acquisition costs associated with acquiring the Fairwater Nickel and Gold Project. A significant proportion of the exploration and evaluation expenditure was incurred on the consolidated entity's Golden Ridge and Acra Projects in Western Australia.

During the half-year the Company acquired a 75% interest in the Fairwater Nickel and Gold Project from National Minerals Pty Ltd with consideration comprising 11.5 million ordinary shares at a deemed issue price of 3.5 cents per share, 15 million unlisted options exercisable at 10 cents each by 12 October 2015 and 30 million unlisted options exercisable at 30 cents each by 12 October 2017. The issue of the Company's securities to National Minerals Pty Ltd was ratified by Shareholders on 23 November 2012.

The Consolidated Entity's cash position at the end of the half-year was \$3,701,458.

PIONEER RESOURCES LIMITED
and its controlled entities

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Butler Settinieri (Audit) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 4 and forms part of the Directors' Report for the half-year ended 31 December 2012.

This report is made and signed in accordance with a resolution of Directors.

Dated at Perth this 12 March 2013.



DJ Crook
Managing Director

AUDITOR'S INDEPENDENCE DECLARATION



Chartered
Accountants

As lead auditor for the review of Pioneer Resources Limited and its controlled entity for the half year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Pioneer Resources Limited and the entity it controlled during the half year.

BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE
Director

Perth

Date: 12 March 2013

BUTLER
SETTINERI

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**Butler Settineri
(Audit) Pty Ltd**

ACN 112 942 373

Registered Company Auditor
Number 289109

*Liability limited by a scheme
approved under Professional
Standards Legislation*

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PIONEER RESOURCES LIMITED**

Chartered
Accountants



Report on the half year financial report

We have reviewed the accompanying half year financial report of Pioneer Resources Limited and its controlled entity ("the group") which comprises the condensed statement of financial position as at 31 December 2012, and the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half year ended on that date, notes comprising a statement of significant accounting policies and other selected explanatory notes and the directors' declaration.

Directors' responsibility for the half year financial report

The directors of the group are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the group's financial position as at 31 December 2012 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditors of Pioneer Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain the assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BUTLER
SETTINERI**

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Pioneer Resources Limited and its controlled entity is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the group's financial position as at 31 December 2012 and of its performance for the half year ended on that date; and
- b) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE
Director

Perth

Date: 12 March 2013

PIONEER RESOURCES LIMITED
and its controlled entities

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Pioneer Resources Limited, I state that:

In the opinion of the Directors:

1. The financial statements and notes of the consolidated entity, as set out on pages 8 to 16:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 31 December 2012 and the performance for the half-year ended on that date of the consolidated entity.
2. In the Directors' opinion there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Dated at Perth this 12 March 2013.



DJ Crook
Managing Director

PIONEER RESOURCES LIMITED
and its controlled entities

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the half-year ended 31 December 2012

	Note	31 December 2012 \$	31 December 2011 \$
Continuing Operations			
Other income	2	130,142	69,272
Total revenue	2	130,142	69,272
Employee expenses		(460,869)	(371,188)
Corporate expenses		(68,429)	(141,067)
Depreciation	2	(12,341)	(18,351)
Rental expense on operating leases	2	(53,955)	(52,620)
Non-Executive Directors' fees		(92,500)	(86,250)
Insurance expenses		(20,420)	(17,826)
Legal expenses		(72,059)	(11,780)
Employee costs recharged to capitalised exploration		272,125	284,493
Administration costs recharged to capitalised exploration		36,000	41,008
Reimbursement of overhead expenditure		-	837
Reversal of prior fair value adjustment		40,000	-
Expense of share-based payments	2	(43,932)	(50,201)
Exploration costs written off	2	(66,753)	(640,242)
Other expenses		(178,635)	(171,520)
Loss before income tax		(591,626)	(1,165,435)
Income tax		-	-
Net loss from continuing operations for the half year		(591,626)	(1,165,435)
Other comprehensive income		-	(9,000)
Total comprehensive income/(loss) for the half year attributable to members of the Company		(591,626)	(1,174,435)
Earnings/(loss) per share from continuing operations			
Basic earnings/(loss) per share (cents per share)	4	(0.11)	(0.27)
Diluted earnings/(loss) per share (cents per share)	4	(0.11)	(0.27)

The accompanying notes form an integral part of these financial statements.

PIONEER RESOURCES LIMITED
and its controlled entities

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

	Note	31 Dec 2012 \$	30 June 2012 \$	31 Dec 2011 \$
CURRENT ASSETS				
Cash and cash equivalents		3,701,458	7,298,370	3,483,064
Other receivables		1,327,399	1,270,468	109,621
Other financial assets		14,275	38,941	19,789
TOTAL CURRENT ASSETS		5,043,132	8,607,779	3,612,474
NON-CURRENT ASSETS				
Other receivables		2,155,000	2,115,000	-
Plant, equipment and motor vehicles		87,853	89,791	60,926
Capitalised mineral exploration		7,274,035	3,724,643	7,730,571
TOTAL NON-CURRENT ASSETS		9,516,888	5,929,434	7,791,497
TOTAL ASSETS		14,560,020	14,537,213	11,403,971
CURRENT LIABILITIES				
Trade and other payables		373,628	1,311,142	172,939
Provisions		122,579	103,065	87,479
TOTAL CURRENT LIABILITIES		496,207	1,414,207	260,418
TOTAL LIABILITIES		496,207	1,414,207	260,418
NET ASSETS		14,063,813	13,123,006	11,143,553
EQUITY				
Contributed equity	3	25,303,122	24,900,622	24,900,622
Share option reserve		1,576,803	446,870	395,303
Accumulated losses		(12,816,112)	(12,224,486)	(14,152,372)
TOTAL EQUITY		14,063,813	13,123,006	11,143,553

The accompanying notes form an integral part of these financial statements.

PIONEER RESOURCES LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2012

	Contributed Equity	Share Option Reserve	Investment Revaluation Reserve	Losses	Total
BALANCE AT 1 JULY 2012	24,900,622	446,870	-	(12,224,486)	13,123,006
TOTAL COMPREHENSIVE LOSS	-	-	-	(591,626)	(591,626)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the period (net of transaction costs)	402,500	-	-	-	402,500
Options issued during the period	-	1,086,001	-	-	1,086,001
Directors and employees options	-	43,932	-	-	43,932
Transfer from share option reserve re: expired options	-	-	-	-	-
BALANCE AT 31 DECEMBER 2012	25,303,122	1,576,803	-	(12,816,112)	14,063,813
BALANCE AT 1 JULY 2011	22,256,587	693,422	9,000	(13,335,257)	9,623,752
TOTAL COMPREHENSIVE LOSS	-	-	(9,000)	(1,165,435)	(1,174,435)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the period (net of transaction costs)	2,644,035	-	-	-	2,644,035
Directors and employees options	-	50,201	-	-	50,201
Transfer from share option reserve re: expired options	-	(348,320)	-	348,320	-
BALANCE AT 31 DECEMBER 2011	24,900,622	395,303	-	(14,152,372)	11,143,553

The accompanying notes form an integral part of these financial statements.

PIONEER RESOURCES LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2012

	31 Dec 2012 \$ Inflows/(Outflows)	31 Dec 2011 \$ Inflows/(Outflows)
Cash flows from operating activities		
Interest received	135,320	59,129
Sundry income received	2,490	8,000
GST paid on sale of Western Mt Jewell Project	(800,000)	-
Payments to suppliers and employees (inclusive of goods and services taxes)	(663,047)	(554,636)
Net cash flows used in operating activities	(1,325,237)	(487,507)
Cash flows from investing activities		
Payments for exploration and evaluation	(2,261,272)	(916,344)
Receipts from joint venture and other exploration funding	-	67,263
Payments for plant and equipment	(10,403)	(39,395)
Net cash flows used in investing activities	(2,271,675)	(888,476)
Cash flows from financing activities		
Proceeds from the issue of shares	-	2,746,500
Payment for transaction costs relating to the issue of shares	-	(102,465)
Net cash flows provided by financing activities	-	2,644,035
Net (decrease)/increase in cash held	(3,596,912)	1,268,052
Cash at the beginning of the half-year	7,298,370	2,215,012
Cash at the end of the half-year	3,701,458	3,483,064

The accompanying notes form an integral part of these financial statements.

PIONEER RESOURCES LIMITED
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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the half-year ended 31 December 2012

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These general purpose half-year financial statements for the half-year ended 31 December 2012 have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including Accounting Standard AASB 134: Interim Financial Reporting and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"). Compliance with AASB 134 ensures compliance with IAS "Interim Financial Reporting".

It is recommended that these half-year financial statements and reports be read in conjunction with the Annual Report for the year ended 30 June 2012 and any public announcements made by Pioneer Resources Limited and its controlled entities during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act, 2001.

The half-year report has been prepared on the accruals basis and in accordance with the historical cost convention. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

For the purpose of preparing the half-year financial statements, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2012 annual financial report for the financial year ended 30 June 2012.

In the half-year ended 31 December 2012, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2012.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the Company's accounting policies.

Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of Pioneer Resources Limited and its controlled entities as at 31 December 2012 ('the consolidated entity').

Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the consolidated entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2012.

PIONEER RESOURCES LIMITED
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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the half-year ended 31 December 2012

	Consolidated 31 December 2012 \$	31 December 2011 \$
2. REVENUE AND EXPENSES		
Revenue and expenses from continuing operations		
(a) Revenue		
Interest income	127,652	61,272
Other income	2,490	8,000
	<u>130,142</u>	<u>69,272</u>
(b) Expenses		
Contributions to employees superannuation plans	40,452	31,798
Share based payments expense	43,932	50,201
Depreciation	12,341	18,351
Rental expense on operating leases	53,955	52,620
Provision for employee entitlements	19,513	(30,844)
Exploration expenditure written off	66,753	640,242
	<u>66,753</u>	<u>640,242</u>
	31 Dec 2012 \$	30 June 2012 \$
3. CONTRIBUTED EQUITY		31 Dec 2011 \$
(a) <i>Issued Capital</i>		
521,974,885 ordinary shares; (30 June 2012: 510,474,885 ordinary shares); (31 December 2011: 510,474,885 ordinary shares)	25,303,122	24,900,622
	<u>25,303,122</u>	<u>24,900,622</u>

During the half year 11,500,000 ordinary shares were issued at a deemed issue price of 3.5 cents each as part consideration for the acquisition of the Fairwater Nickel and Gold Project from National Minerals Pty Ltd.

The share issue was ratified by Shareholders at the Annual General Meeting held on 23 November 2012.

PIONEER RESOURCES LIMITED
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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the half-year ended 31 December 2012

3. CONTRIBUTED EQUITY (Continued)

(b) Options

During the half year ended 31 December 2012 the following options were issued to National Nominees Pty Ltd as part consideration for the acquisition of the Fairwater Project from National Minerals Pty Ltd.

Number of Options	Exercise Price	Expiry
15,000,000	10 cents each	12 October 2015
30,000,000	30 cents each	12 October 2017
45,000,000		

The share issue was ratified by Shareholders at the Annual General Meeting held on 23 November 2012.

During the half year ended 31 December 2012 no options expired.

The following unlisted options are outstanding in respect of ordinary shares as at 31 December 2012:

Number of Options	Exercise Price	Expiry
750,000	22 cents each	30 June 2013
3,366,665	8.5 cents each	30 November 2013
3,341,665	10 cents each	30 November 2013
3,341,670	12 cents each	30 November 2013
433,333	8.5 cents each	31 December 2013
433,333	10 cents each	31 December 2013
433,334	12 cents each	31 December 2013
4,333,331	3.5 cents each	30 November 2014
4,333,331	4.5 cents each	30 November 2014
4,333,338	5 cents each	30 November 2014
15,000,000	10 cents each	12 October 2015
30,000,000	30 cents each	12 October 2017
70,100,000		

There have been no options issued since the end of the financial period.

PIONEER RESOURCES LIMITED
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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the half-year ended 31 December 2012

	31 Dec 2012 \$	31 Dec 2011 \$
4. EARNINGS/(LOSS) PER SHARE		
The following reflects the loss and share data used in the calculations of basic and diluted earnings/(loss) per share:		
Earnings/(loss) used in calculating basic and diluted earnings/(loss) per share	(591,626)	(1,165,435)
	Number of Shares 2012	Number of Shares 2011
Weighted average number of ordinary shares used in calculating basic earnings/(loss) per share:	515,287,385	426,697,602
<i>Effect of dilutive securities</i>		
Share options*	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings/(loss) per share	515,287,385	426,697,602

***Non-dilutive securities**

As at balance date, 70,100,000 unlisted options (which represent 70,100,000 potential ordinary shares) (31 December 2011: 26,050,000 unlisted options which represent potential ordinary shares) were not dilutive as they would decrease the loss per share.

5. DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2012.

6. EVENTS SUBSEQUENT TO BALANCE DATE

Since 31 December 2012, no event has arisen that would be likely to materially affect the operations of the consolidated entity, the results of the consolidated entity or the state of affairs of the consolidated entity not otherwise disclosed in the consolidated entity's financial statements other than:

- (i) On 19 February 2013 the Company completed the acquisition of all the gold and remaining nickel interests at the Golden Ridge Project. Pursuant to the Sale of Tenements Agreement with Blair Nickel Mine Pty Ltd (a wholly-owned subsidiary of Australian Mines Limited) the Company settled the acquisition for cash consideration of \$700,000. The consolidated entity is also responsible for the replacement of existing environmental performance bonds totalling \$207,000 as well as assuming an existing royalty over the tenements acquired.
- (ii) On 6 March 2013 the Company received \$1.2 million as an instalment from Carrick Gold Limited in relation to the sale announced on 13 March 2012, whereby the Company sold its 100% legal and beneficial interest in the exploration licences, prospecting licences and a mining lease application which comprised the Western Mt Jewell Gold Project, together with all drilling results and other information regarding the Western Mt Jewell Gold Project for total consideration of \$8 million. As a result a total of \$5.7 million has been received with further instalments of \$1.2 million and \$1.1 million due on 6 March 2014 and 6 March 2015 respectively.

PIONEER RESOURCES LIMITED
and its controlled entities

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the half-year ended 31 December 2012

7. CONTINGENT ASSETS AND LIABILITIES

Since the last reporting date, there has been no change of any contingent liabilities or contingent assets.

8. SEGMENT INFORMATION

The consolidated entity operates predominantly in one segment involved in the mineral exploration and development industry. Geographically the consolidated entity is domiciled and operates in one segment being Australia.