



Managing Director's Review Continued:



In last year's Annual Technical Summary the Company reported the first RC drill holes, completed in September 2009, for the Hughes and Tregurtha Prospects at the Mt Jewell Gold Project. These holes returned very encouraging gold intersections, and were the catalyst for realigning the Company's commodity focus to gold.

Progress has been substantial, with over 100 drill holes now completed at the two gold deposits. Additional drilling is required before Mineral Resource estimations can be completed.

Discovery of new Mineral Resources through drilling is seen as a mechanism for growing shareholder value. To this end, the Company has embarked on a major RAB drilling program which is designed to expand the number of gold targets, and it is anticipated that this will set up a busy RC drilling schedule for 2011.

Geochemical and Structural Targets include:

- The Lignum Dam Trend, which is a structural corridor that hosts the Tregurtha and Hughes Prospects. A number of existing RAB anomalies need infill drilling, with the Top, Pianto and Contact Prospects being priority targets.
- The Golden Cities North Trend, which is a structural corridor that extends from the Havana-Suva-Federal Gold Mining Centre north-west through Pioneer's tenements for 12 kilometres. Priorities include the Criterion, Grand and Wild Dog Prospects and untested soil anomalies.
- The Gindalbie Region, where research has identified a number of untested geochemical and structural targets.

During the year the Company divested its interests in the Ravensthorpe Project in return for royalty streams should mine developments ensue:

- Tectonic Resources NL acquired the tenements and rights to all minerals except manganese and iron, with Pioneer retaining a 1.5% NSR royalty; and
- Mineral Resources Limited acquired an option to explore, and if warranted, mine manganese and iron from the project. The royalty at the time will be determined by using metal prices of the day.

On your behalf I would like to personally acknowledge our employees James Guy, Clayton Davy's and Melinda O'Ryan; and welcome Roland Gottard, David Brinsden and George Burgess who joined us this year. We thank them and our other contractors and consultants for the combined effort that has led to this year's success. Their contribution has put us in good stead for the years to come.

David Crook
Managing Director

Pioneer is about:

- Increasing capital value through exploration discoveries;
- Achieving organic growth through targeted acquisitions;
- Significant in-ground exploration programs; and
- Introducing other third party explorers to non-core projects.



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Glossary

“**EM**” means electromagnetic, a geophysical survey technique used to locate conductive rocks which may host nickel sulphide mineralisation. There are a number of configurations of transmitters, receivers and processing available depending on the application.

“**g/t**” means grams per tonne (used for precious metals) and is equivalent to ppm.

“**NSR**” means Net Smelter Return.

“**ppm**” means 1 part per million by weight.

“**RAB**” means rotary air blast, a cost-effective drilling technique used to geochemically sample weathered rock.

“**RC**” means reverse circulation, a drilling technique that is used to return uncontaminated pulverised rock samples through a central annulus inside the drill pipes. RC samples can be used in industry-standard Mineral Resource statements.

“**Au**” means gold.

“**Co**” means cobalt.

“**Cu**” means copper.

“**Mn**” means manganese.

“**Ni**” means nickel.

“**Pd**” means palladium.

“**Pt**” means platinum.

“**Xstrata**” means Xstrata Nickel Australasia Pty Ltd.

“**AUZ**” means Australian Mines Limited.

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.

Chairman's Letter



Dear Shareholder

This time last year I wrote to you as the Chairman of your Company for the first time. This followed a year which had seen unpredicted gyrations in international equity and commodity markets create alarm, unknown expectations and ultimately opportunities.

So it is with considerable pleasure that I report to you that the past financial year has been one of significant achievements for Pioneer, where your Company has grasped opportunities in the following areas:

- Increasing exploration “drill bit” success at what is now termed the Mt Jewell Gold Project, with near surface intersections of sound grade and dimension achieved at the Tregurtha and Hughes Prospects.
- Securing additional strategically important ground which provides your Company with a dominant acreage position in an extremely prospective region of Australia's premium gold field.
- Joint venturing or reducing interests in non-core projects. This ensures that exploration momentum is maintained for these important assets, providing the best opportunity to achieve value without distracting management from the “main game”.
- Successfully raising capital to support exploration activities in a timely fashion with strong support from you as Shareholders, as particularly evidenced by the highly oversubscribed recent share placement and share purchase plan.
- Adding outstanding technical and commercial skills to your Board through the appointment of Wayne Spilsbury, whose previous career in exploration at Teck Cominco was full of merit and achievement in the fields of resource identification and development.

None of this is achievable without a committed, capable and imaginative exploration team led by our Managing Director, David Crook, whose efforts in focused exploration management and promotion of your Company have positioned Pioneer to move to the next stage of Mineral Resource definition at the Mt Jewell Gold Project. It is also important that I mention the significant contribution of my Board whose commercial and technical skills have been an essential ingredient in supporting the strategic direction of your Company and will position it well for future success.

In closing I would to thank you as Shareholders for your persistence in supporting Pioneer. I am extremely confident that your support will be amply rewarded in the future and look forward to writing again this time next year of your Company's exploration and development achievements.

Yours Sincerely

Craig McGown
Chairman



ANNUAL TECHNICAL SUMMARY 2010

Corporate Snapshot: 8 October 2010

Share Price: A\$0.042

Market Cap (at \$0.042): A\$16.8M

Issued Capital: 400.6 million Shares
21 million Options

Cash and receivables: Approx \$5.5M

Directors:

Craig Ian McGown (Non-Executive Chairman)

David John Crook (Managing Director)

Allan Trench (Non-Executive Director)

Thomas Wayne Spilsbury (Non-Executive Director)

Company Secretary:

Julie Anne Wolseley

Principal Registered Office:

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Auditor:

Butler Settinieri (Audit) Pty Ltd

Unit 16, First Floor,

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Share Registry:

Security Transfer Registrars Pty Ltd

770 Canning Highway,

Applecross, Western Australia, 6153

Telephone: (08) 9315 2333

Facsimile: (08) 9315 2233

Email: registrar@securitytransfer.com.au

Securities Exchange Listing:

The Company's shares are quoted on the Australian

Securities Exchange.

The Home Exchange is Perth.

ASX Code: PIO

Dear Shareholder

On behalf of the Directors of Pioneer Resources Limited I am pleased to present the Annual Technical Summary for 2010. This year has seen the Mt Jewell Gold Project take priority for the Company and, following successful capital raisings, an extensive financial commitment has been made for drilling for the next 12 months.

Key Events from the Year Included:

- **Two Gold Deposits Discovered at the Mt Jewell Gold Project:**

The Mt Jewell Gold Project is now established as the Company's priority exploration operation. This can be measured by actual exploration expenditure with 85% of the 2009-2010 exploration budget dedicated to this project, with approximately 10km of Mineral Resource drilling and an additional 6km of target generation drilling completed.

- **Expanded Project Tenement Holding and New Gold Targets:**

Following the acquisition of the Golden Cities North tenements, which formed a natural adjunct to the existing project, new targets have been worked up and are being systematically prioritised and tested. These provide the Mt Jewell Gold Project with the best potential for new discoveries.

- **Successful Capital Raisings Ensure Momentum will be Maintained:**

The Company acknowledges the on-going support provided by shareholders again this year, with its share placements and Share Purchase Plan both significantly oversubscribed. With approximately \$5.5 million in cash reserves, aggressive exploration programs will be maintained throughout 2011.

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Pioneer Resources Limited (ASX: PIO) is a specialist exploration company exploring for economic metal deposits in the Eastern Goldfields of Western Australia. The Company's priority is to expand on its gold discoveries made at the Mt Jewell Gold Project, whilst maintaining an active pipeline of quality exploration projects.

Acra JV Project
(PIO 40%, Xstrata 60%, Nickel)

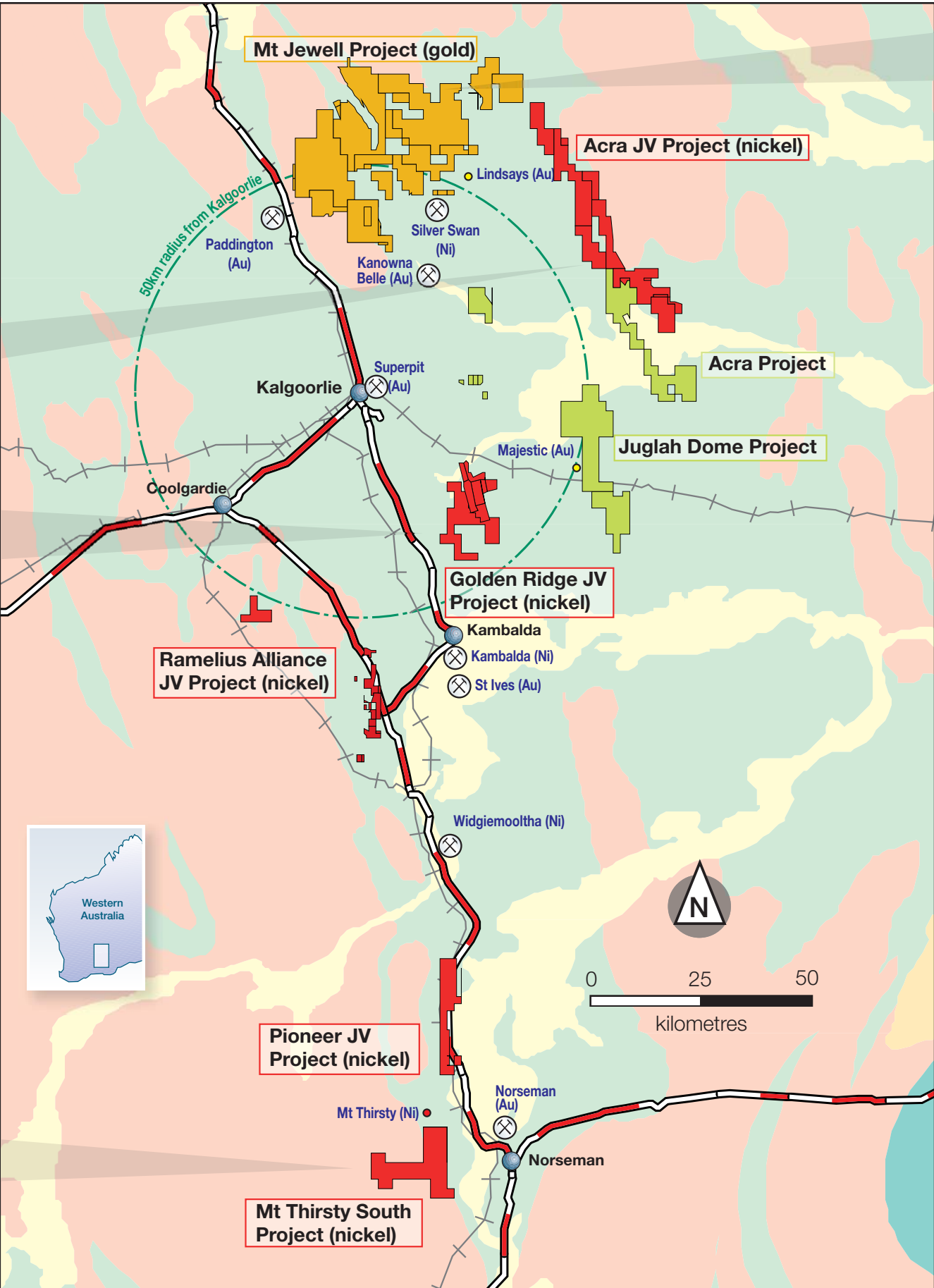
- Located 75km NE of Kalgoorlie, WA.
- Project is fully funded by Xstrata. Xstrata may earn up to 80% in the Project.
- Recent drilling at Jubilee West intersected 9.55m at 0.98% Ni, including 0.85m at 3.05% Ni.
- Outlook:** An EM survey will be completed at Jubilee West to provide better target resolution for future drilling.

Golden Ridge JV Project
(PIO 56%, AUZ 44%, Nickel)

- Located 30km SE of Kalgoorlie and 30km N of Kambalda, WA.
- Previously identified basal contact surfaces have been surveyed with EM.
- Outlook:** Interpretation of new EM data will provide a number of drill targets. Selective drilling of conductors with highest potential for massive nickel sulphides will follow.

Mt Thirsty South Project
(PIO 100%, Nickel)

- Located 150km S of Kalgoorlie, WA.
- Geological mapping, focused on the basal ultramafic contact, is underway following the discovery of nickel sulphides on an adjacent tenement.
- The discovery of nickel sulphides 400m north of Pioneer's tenement is considered very important, and greatly increases the exploration priority of Mt Thirsty South.
- Outlook:** Following the completion of mapping, traverses of shallow drill holes will determine the nature of ultramafic rocks. Where the geological environment is correct an EM survey will be used to locate conductors prospective for massive nickel sulphides.



Mt Jewell Gold Project (PIO 100%, Gold)

- Located 55km N of Kalgoorlie, WA.
- Tregurtha and Hughes gold deposits identified.
- Substantial additional acreage acquired.
- New gold targets identified along proven gold trends.
- 9,954m of Mineral Resource definition drilling, and 6,022m of target generation RAB drilling completed during 2009-2010 year.
- Metallurgical appraisal of 5 potential ore samples, with results showing high recoveries using conventional CIP gold extraction technology.

Following tenement acquisitions during the year, the Mt Jewell Gold Project now comprises approximately 750km² of tenements covering a number of geological and structural environments considered favourable for gold mineralisation.

The project benefits from established infrastructure due to its close proximity to the mining centre of Kalgoorlie WA, with access via sealed road, and with gas, rail and electricity nearby. A number of major gold mines operate in the area, including Paddington, Kanowna Belle and the Kalgoorlie Superpit.

RC drilling, which commenced in September 2009, resulted in the discovery of the Tregurtha and Hughes gold deposits. Here, gold mineralisation is located entirely within zones of sheared and altered Granodiorite, a geological setting which is analogous that of the Federal and Golden Cities Gold Mines, hosted in the nearby Scotia Granodiorite.

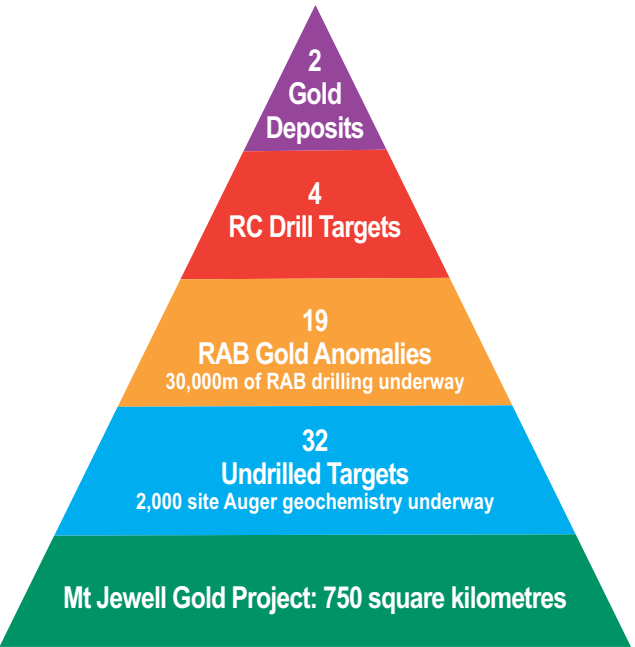
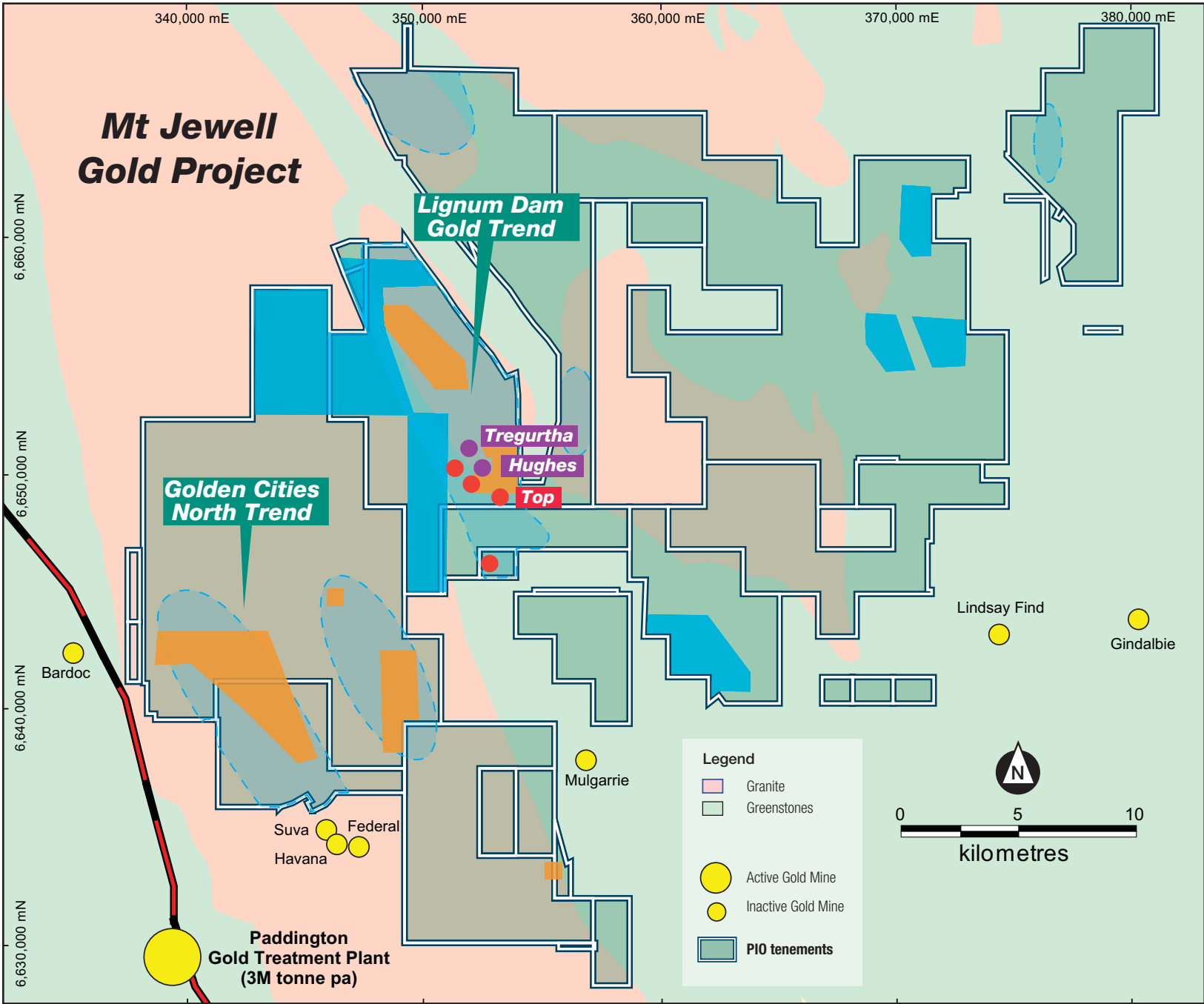
Selected Intercepts from 2010 Drilling

From Tregurtha

- LDRC039: 6m at 2.23g/t Au from 37m
- LDRC040: 9m at 2.05g/t Au from 39m
- LDRC058: 17m at 2.62g/t Au from 35m
- LDRC092: 10m at 4.15g/t Au from 74m
- LDRC093: 13m at 2.20g/t Au from 109m
- LDRC094: 2m at 11.72g/t Au from 66m
- LDRC094: 11m at 2.25g/t Au from 72m
- LDRC096: 3m at 8.03g/t Au from 121m
- LDRC103: 3m at 6.77g/t Au from 40m
- LDRC104: 11m at 3.29g/t Au from 38m

From Hughes

- LDRC059: 13m at 3.06g/t Au from 61m
- LDRC059: 21m at 2.85g/t Au from 89m
- LDRC065: 14m at 2.40g/t Au from 42m
- LDRC067: 7m at 6.29g/t Au from 35m
- LDRC068: 5m at 3.38g/t Au from 115m
- LDRC069: 20m at 2.00g/t Au from 52m
- LDRC070: 18m at 2.14g/t Au from 83m
- LDRC073: 7m at 3.02g/t Au from 42m
- LDRC076: 16m at 2.30g/t Au from 136m
- LDRC079: 2m at 9.34g/t Au from 111m



At present, two structural trends have been identified for priority exploration, being the Lignum Dam Trend and the Golden Cities North Trend.

Pioneer has developed a pyramid of targets from conceptual to drill ready prospects which are actively being tested by RAB and Auger drilling programs now.