

9 April 2010

ASX/MEDIA ANNOUNCEMENT

PIONEER STRIKES DEAL WITH MINERAL RESOURCES TO EXPLORE AND MINE THE MT CHESTER MANGANESE AND IRON ORE PROJECT

Pioneer Resources (ASX:PIO) is pleased to announce it has struck a deal with manganese miner Mineral Resources (ASX:MIN) that will see MinRes fund the exploration and possible development of Pioneer's 100%-held Mt Chester Manganese and Iron Ore Project in the south of Western Australia.

Under the terms of the agreement, MinRes will fully fund an exploration program and related activities to determine whether a manganese and iron ore mining operation at Mt Chester would be feasible. MinRes has three years to complete this process.

In the event that a decision is taken to develop Mt Chester, MinRes will fully fund the project and in return will receive exclusive rights to mine, treat and exploit the manganese and iron ore.

MinRes will pay Pioneer a royalty for each tonne of iron ore and manganese ore product removed from the tenements, which royalties are subject to variation using prescribed formulae linked to benchmark prices for the two commodities. Using May 2009 benchmark prices (which are subject to change) Pioneer would be paid \$4.20/tonne of manganese and \$3.50/tonne iron ore removed from the tenements.

Mt Chester has major infrastructure advantages. It is located approximately 9km from the town of Ravensthorpe and 180km by sealed road from the Port of Esperance.

MinRes has struck the agreement through its wholly-owned subsidiary Process Minerals International (PMI). PMI owns and operates the Woodie Woodie manganese fines treatment operation in the Pilbara region of Western Australia, which produces 400,000 tonnes of manganese ore a year.

Pioneer Managing Director David Crook said the agreement combined a highly promising manganese and iron prospect with a specialist manganese operator with a strong balance sheet.

"Pioneer is delighted to have reached this agreement with Mineral Resources, which is a well-funded company with significant iron ore and manganese mining interests," Mr Crook said.

"The agreement gives Pioneer the potential to participate in the bulk commodities boom with minimal financial exposure, while allowing the Company to continue focusing on its highly promising gold exploration program at the Mt Jewell Gold Project near Kalgoorlie."

Pioneer has retained a 100% right to all other commodities at Mt Chester.

In 2008 Pioneer conducted a rock chip sampling program targeting the manganese horizon, that returned assay results of **up to 49% Mn over a 500m strike length**. Non-specific rock chip samples of adjacent iron-rich rocks assayed **between 50% and 61% Fe over a 6 kilometre strike length**, however iron rich formations are recognised over a much greater strike length within the Ravensthorpe Ranges. Pioneer regards the area as highly prospective for both commodities.

Table 1					
Mt Chester Prospect, Ravensthorpe: Significant Rock Chip Results					
Sample ID	Medium	Easting (m)	Northing (m)	Mn (%)	Fe (%)
Manganese Samples (>35% Mn)					
RMP17	ROCK	234,927	6,278,173	49.0	9.5
RMP22	ROCK	235,124	6,277,969	45.9	9.8
RMP39	ROCK	235,182	6,277,911	41.7	9.3
RMP31	ROCK	235,181	6,277,931	40.4	11.4
RMP08	ROCK	235,102	6,277,987	40.2	17.9
RMP04	ROCK	235,107	6,277,987	39.8	11.3
RMP21	ROCK	235,113	6,277,980	37.6	15.6
RMP18	ROCK	234,923	6,278,187	37.3	17.6
RMP27	ROCK	235,179	6,277,924	36.6	11.0
RMP16	ROCK	234,968	6,278,123	35.6	15.6
RMP28	ROCK	235,168	6,277,913	35.3	13.1
Iron-Rich Samples (>56% Fe)					
RMP90	ROCK	235,244	6,277,813	0.5	61.6
RMP78	ROCK	234,894	6,278,302	0.0	59.1
RMP02	ROCK	235,134	6,278,062	0.2	58.4
RMP52	ROCK	235,771	6,277,300	0.2	58.1
RMP50	ROCK	235,627	6,277,458	0.3	57.5
RMP51	ROCK	235,762	6,277,289	0.1	56.7
RMP24	ROCK	235,149	6,277,953	0.9	56.6
RMP120	ROCK	235,233	6,277,836	0.5	56.5

- Assays were completed by Ultratrace Laboratories Perth.
- Assay technique: XRF- Fusion.
- Sample locations by GPS.

THE MT CHESTER PROSPECT – CLUES FROM THE PAST

The Mt Chester Manganese and Iron Ore Project is located within granted mining lease M74/163, approximately 9km from Ravensthorpe, WA and 180km by sealed road from the Port of Esperance.

Manganese mineralisation was initially discovered in about 1903 and an adit was completed prior to 1909 to intersect the deposit. The adit was subsequently mapped and sampled during the 1980s by Metana Minerals NL, with a report recording 15m at 17.7% Mn.

Pioneer has previously announced results from mapping and sampling which located outcropping manganese mineralisation over a strike length of 500m, and iron throughout the project. Soil sampling also identified other Mn anomalies in an apparently similar stratigraphic location elsewhere along an 8 kilometre strike length.

Announcements relevant to the Mt Chester Prospect may be located by following these links.

18 June 2008 Ravensthorpe Manganese: High Grade Mineralisation
<http://www.pioneerresources.com.au/downloads/asx/pio20080618.pdf>

12 December 2009 Pioneer increases stake in Mt Chester Manganese Project
<http://www.pioneerresources.com.au/downloads/asx/pio20091212.pdf>

- ENDS -

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ABOUT PIONEER RESOURCES LIMITED

Pioneer Resources Limited (**ASX: PIO**) is a specialist exploration company searching for gold and base metals in the Kalgoorlie and Ravensthorpe Districts of Western Australia. The Company strives to add shareholder value by balancing work on advanced projects with active project generation from within the Company's 100%-owned and joint venture tenement portfolio.

The Company's exploration priority is the Mt Jewell Gold Project. This project is a gold discovery located 55km north of Kalgoorlie. The Company believes the area has the potential to host significant gold mineralisation and intends to pursue an aggressive exploration program for gold within the project over 2010.

Priority targets identified to date are located entirely within areas of sheared and altered Granodiorite. This environment is analogous to the setting of the Federal and Golden Cities Deposits, hosted in the Scotia Granodiorite, on tenements immediately adjacent to Pioneer's.

ABOUT PROCESS MINERALS INTERNATIONAL PTY LTD

Process Minerals International Pty Ltd (PMI), a wholly owned subsidiary of Mineral Resources Limited, delivers mineral processing and base metals recovery services to the international mining industry. PMI was first established as the owner and operator of the Woodie Woodie fines operation, located approximately 400 kilometres southeast of Port Hedland in the Pilbara region of Western Australia, adjacent to Consolidated Minerals Limited's successful Woodie Woodie manganese operations.

PMI has an annual production of 400,000 tonnes of high-grade manganese fines with a mine life exceeding 10 years. PMI produces a consistently reliable and quality assured product from a world standard, state-of-the-art process plant and haulage via an all-weather bitumen road from the plant to a load-out facility at Port Hedland. As part of a quality management system, concentrates are blended and held in PMI's storage facility in Port Hedland prior to shipment.

The information within this report as it relates to geology and mineralisation was compiled by Mr David Crook who is a full time employee of Pioneer Resources Limited, a member of The Australasian Institute of Mining and Metallurgy (member 105893) and is a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report. This person consents to the inclusion of this information in the form and context in which it appears in this report.

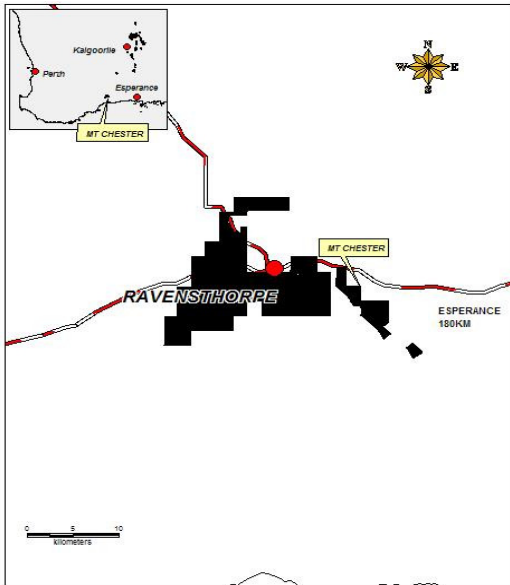


Figure 1: Tenement Location Plan

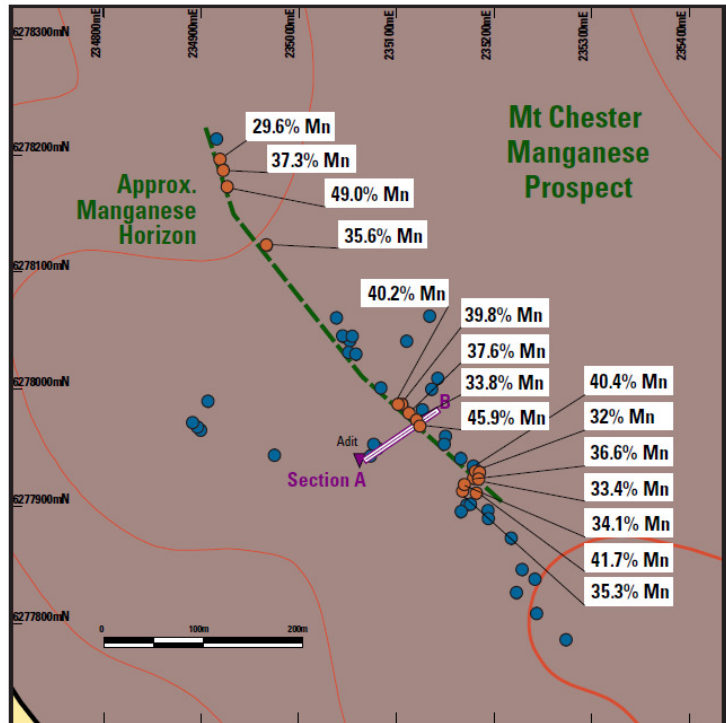


Figure 2: Rock Chip Assays from Manganese Horizon.

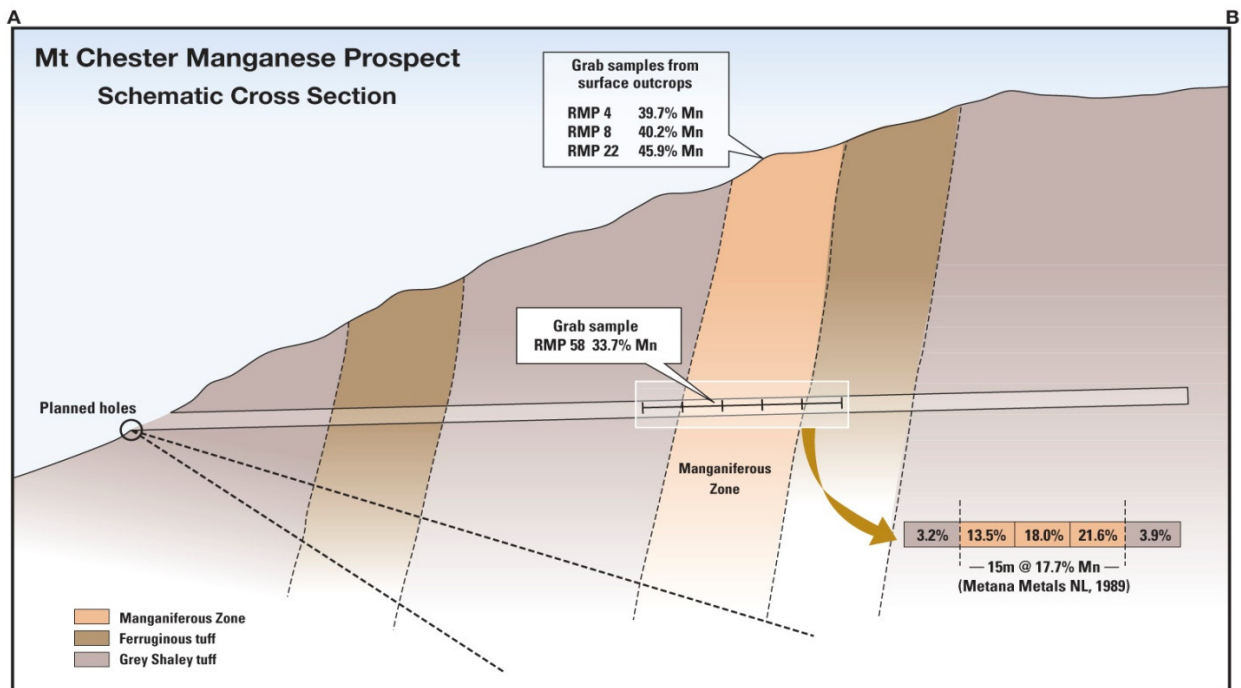


Figure 3: Schematic Cross Section at the Mt Chester Adit.