

BLUE BOOK

RESOURCES SECTOR

Exploration Review

Quarterly

April 2004

Volume 1

Contents

This is an extract from the April 2004 Quarterly Exploration Review.

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Pioneer Nickel Ltd

ASX Code: PIO

Core Commodities	Nickel, Gold
Price (as at 05-Apr-04)	\$0.19
Market Cap (\$M)	8.3
Cash (\$M)	4.7
Cash / Share (\$)	0.11
Turnover (\$M pa)	3.3

Top Shareholders

Heron Resources Limited (In Trust)	34.17%
Kurana Pty Ltd	2.28%
David James Wardle	2.05%

Status:



Summary activity for the current quarter	Quantity	Budget
Soil/Rock Chipping	100	\$0.002M
RAB	2,000	\$0.02M
RC/Diamond	5,000	\$0.25M
Assays	3,000	\$0.05M
Geophysics	1,000	\$0.08M
Other		
Total Expenditure		\$0.40M

Exploration Project 1: Wattle Dam (W Kambalda)

Location	20km W of Kambalda	Surface TEM is facilitating the ranking of priority targets, with drilling continuing into the next quarter. The project is located along strike from the Armstrong/McEwen/Zabel (Titan Resources) and Spargoville (Breakaway Resources) Deposits. The project covers 12kms of the highly prospective Widgiemooltha Greenstone Belt basal ultramafic contact. Pioneer's initial targets include the 5G, 5J and 5K channels.
Commodity	Nickel	
Style	Nickel Sulphide / Massive Sulphide	
Best Intersection	TEM 50% complete	

Exploration Project 2: Acra-Jubilee

Location	80km E of Kalgoorlie	Drilling at Acra by Pioneer has confirmed the ultramafic sequence to be sulphidated, with drilled intercepts returning 20m of 0.6% Ni. Drilling targets are being refined by the use of detailed surface TEM. This programme has also located several additional targets, including the Jubilee conductor, which will be drilled on a priority basis.
Commodity	Nickel / Gold	
Style	Nickel Sulphide / Massive Sulphide	
Best Intersection	0.27m at 4.36% Ni (reported)	

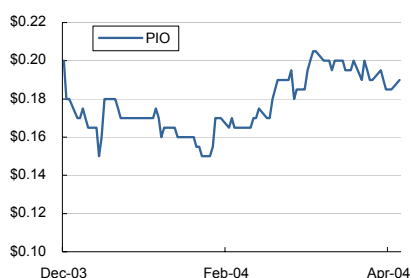
Exploration Project 3: Pioneer

Location	165km S of Kalgoorlie	The Pioneer project takes in 20km of the Widgiemooltha Greenstone belt along the eastern flank of the Pioneer Dome. Previous explorers during the 1960s and 1970s discovered the JH and BB nickel sulphide deposits within Pioneer's tenement, demonstrating that the ultramafic units are sulphidated. Pioneer will complete TEM surveys ahead of drilling later in the year.
Commodity	Nickel / Gold	
Style	Nickel Sulphide / Massive Sulphide	
Best Intersection	3.2m at 3.2% Ni (reported)	

Aegis Equities Comments

- Projects:** EM surveys were completed firstly at Acra-Jubilee and at Wattle Dam by late March. Initial drill testing of the targets identified by the TEM surveys commenced at both locations and continued throughout March. The results will be analysed and more targets selected to lead into more drilling. Four targets were generated at Acra-Jubilee and five at Wattle Dam.
- Potential:** PIO's 2,433km² is located mainly in a world-class, proven nickel sulphide province, host to many mines and a rebirth of exploration activity. It is the first time since the 1970s nickel boom that an integrated program of geochemical, aeromagnetic and TEM surveys followed by drilling will be applied to PIO's tenements. They are well positioned on the Pioneer-Widgiemooltha-Depot Domes to generate discoveries typical of the area, while the target in Tasmania is a very large 1.0Mt Ni deposit.
- Overall:** PIO is a specialist nickel sulphide explorer possessing a large portfolio of leases in the Eastern Goldfields, a proven nickel sulphide province. PIO contains the nickel interests spun out of Heron Resources and listed on the ASX on 4 December 2003. The company has a clearly defined exploration method, a goal to identify 20-30Kt size nickel deposits in WA, a new and qualified management team and cash from the recent listing. All is in place to generate maximum value.

Share price performance



Source: Bloomberg



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