

# PROTO



RESOURCES & INVESTMENTS LTD

## STOCK EXCHANGE ANNOUNCEMENT

November 25, 2010

### **New Rock Chip Results and Proto Expands Ground Holding at the Clara Hill Project**

#### **ASX Release, Stock Code: PRW**

*High grade copper, nickel, platinum, palladium, gold and silver results have been returned from rock chip assays taken this month at the Clara Hill Project, Western Australia. Peak results were 22.7% copper, 2.05% nickel, 1.15g/t platinum, 0.8g/t palladium, 89g/t silver and 0.3g/t gold. Proto has now also expanded its ground holding at the Clara Hill Project with a new exploration licence application adjacent to the current project area. The Clara Hill Project is an advanced nickel, copper, platinum and palladium prospect covering the site of the historical Maura Reward Copper Mine.*

#### **Executive Summary**

- Surface mineralisation expressed in four gossans has now been located as a result of the November 2010 Clara Hill site visit.
- High grade copper, nickel, platinum, palladium, gold and silver results have been returned from rock chip assays from the recent site visit. Peak results were 22.7% copper, 2.05% nickel, 1.15g/t platinum, 0.8g/t palladium, 89g/t silver and 0.3g/t gold.
- New exploration licence application, E04/2060, covering an area of 69km<sup>2</sup> has been lodged by Proto. The new licence adjoins the existing Clara Hill Project tenements on the eastern side.
- The Clara Hill Project contains an advanced nickel, copper, platinum and palladium prospect. The high grade gossan at this prospect has been previously commercially exploited.

#### **New Rock Chip Results**

Proto Resources & Investments Ltd ("Proto", "the Company") is pleased to announce results from initial exploration at the Clara Hill Project (comprising granted licence E04/1533 and licence application E04/2026) in the West Kimberley region of Western Australia. Preliminary results from interpretation of data from an airborne magnetic and radiometric survey indicate significant structural features in proximity to the known Clara Hill copper/nickel mineralisation. A recent reconnaissance field visit during November 2010 located two further copper bearing gossan formations and copper mineralisation in related rocks.

Samples containing oxidised and remnant sulphide copper and nickel mineralisation were collected from all four gossan locations for chemical analysis. A suite of related rock formations were also sampled for petrological study. One sample of gabbro/dolerite was noted to contain traces of pyrrhotite, a sulphide

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mineral commonly associated with nickel mineralisation. Analyses for samples collected on the recent visit are as follows:

Assay Element	Maximum	Minimum
Copper	22.7%	0.052%
Nickel	1.46%	0.014%
Palladium	0.79ppm	0.02ppm
Platinum	1.16ppm	0.006ppm
Gold	0.27ppm	0.007ppm
Silver	82.9ppm	<0.05

Following these results, a comprehensive exploration programme, including detailed geological mapping, geochemical and further geophysical surveys and drilling will commence as soon as possible after the Kimberley wet season.

### **Ground Holding Expanded**

Proto has also lodged a new exploration licence application, E04/2060, covering an area of 69km<sup>2</sup> at the Clara Hill Project. This new application area adjoins the existing Clara Hill Project on the eastern side and brings the total size of the project area to 98km<sup>2</sup> (see Figure 1). Proto has entered into a legal agreement to earn an 80% interest in mining tenements E04/1533 (granted) and E04/2026 (in application). The new application E04/2060 is held 100% by Proto.

The Company is of the opinion that the new application contains areas with similar geological characteristics to the existing Clara Hill Project area and is thus considered prospective for base and precious metal exploration. Proto looks forward to exploring for polymetallic base metals (nickel and copper) and polymetallic precious metals (platinum, palladium, gold and silver) at the Clara Hill Project. The Company looks forward to updating the market in the short term as exploration continues.

Enquiries:

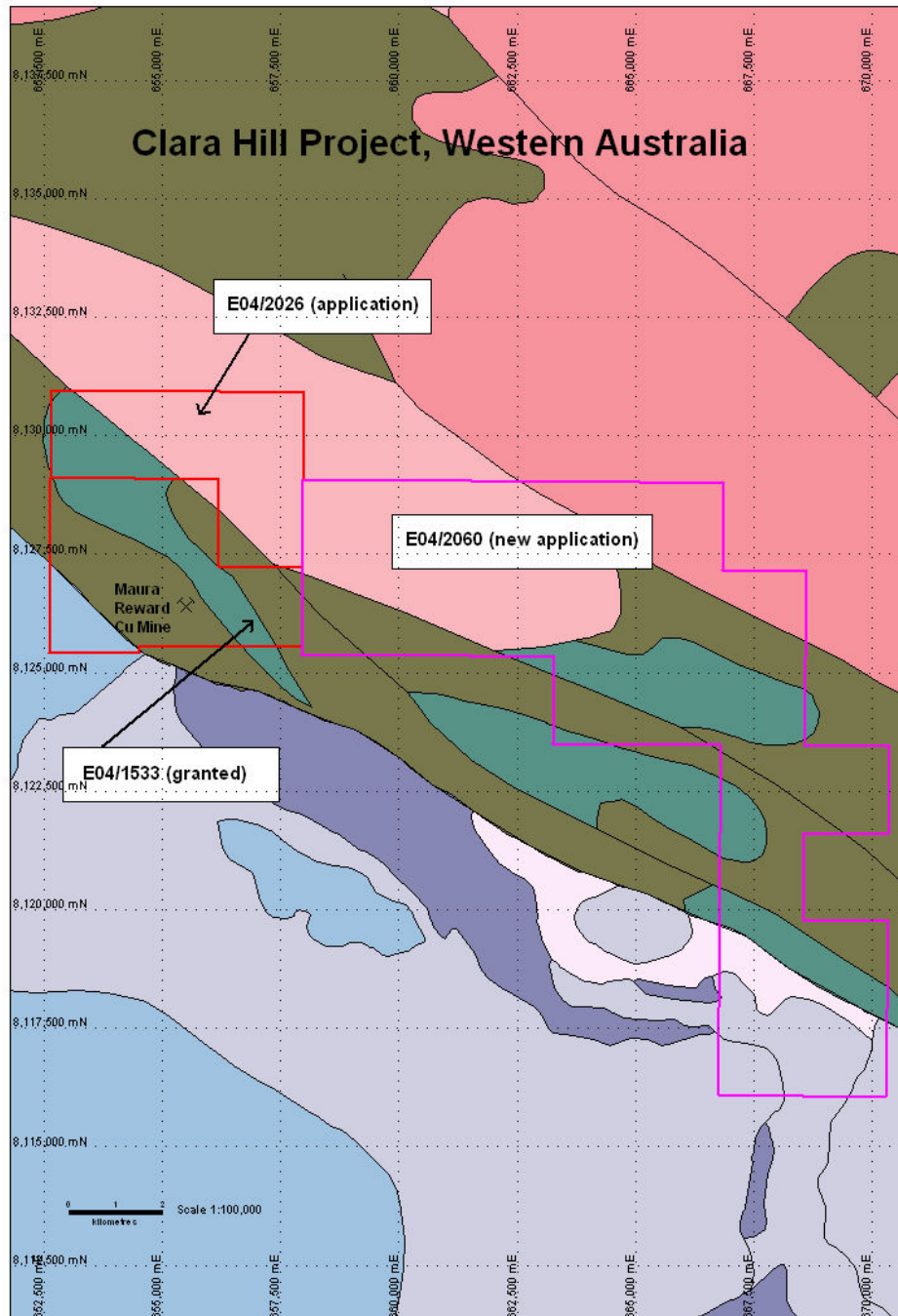
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*The information in this report that relates to exploration results, together with any related assessments and interpretations, is based on information approved for release by Mr Giles Rodney Dale of G R Dale & Associates. Mr Dale is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Dale consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*



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**Figure 1 – Tenement location map showing new exploration licence application (pink) and existing tenements of the Clara Hill Project (red) with geology as background**