

PROTO



RESOURCES & INVESTMENTS LTD

STOCK EXCHANGE ANNOUNCEMENT

December 20, 2010

Exploration Update – Metal Rocks, Barnes Hill West and Barnes Hill Projects

ASX Release Stock Code: PRW

Executive Summary

- The "Metal Rocks" exploration licence (E39/1559) in Western Australia has now been granted.
- Also at the Metal Rocks project the compilation and processing of available airborne magnetic and radiometric data across the licence region has been completed.
- Soil sampling at the Barnes Hill West and Barnes Hill projects has been finished with samples currently being assayed and final results expected during January.

Metal Rocks Project, Western Australia

The Directors of Proto Resources & Investments Ltd ("Proto", "the Company") are pleased to announce that the Metal Rocks project on exploration licence E39/1559 has recently been granted. The project covers an area of 321.9km² located 250km north-east of Kalgoorlie in Western Australia.

The Metal Rocks Project is located on the edge of the Yilgarn Craton in the vicinity of known uranium and gold mineral deposits (see Figure 1). The Ambassador Uranium Deposit (Inferred Mineral Resource of 16.53Mt @ 630ppm U₃O₈) owned by Energy and Minerals Australia Limited is located 10km south-west of the project area while the Tropicana Gold Deposit (Measured, Indicated and Inferred Mineral Resource of 75Mt @ 2.07g/t Au) owned by AngloGold Ashanti Limited is located 65km to the north-east.

Geophysical consultants Southern Geoscience have now completed the compilation and processing of publicly available airborne magnetics and radiometrics data over the project area. This information will assist with planning exploration programs for the project which will initially be targeting uranium and gold mineralisation. Field work is expected to commence in the first quarter of 2011.

Barnes Hill West and Barnes Hill Projects, Tasmania

The Company is pleased to announce that the first soil sampling program at the Barnes Hill West project in Tasmania has now been completed. In addition, soil sampling programs at Kelly's Lookout and Andersons Creek at the Barnes Hill project have also been completed. All 551 samples have been sent to ALS Laboratory Group for analysis and final assay results are expected to be available during January. The

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Barnes Hill West project on exploration licence EL53/2008 adjoins on the eastern side the Company's flagship Barnes Hill Ni-Co project (see Figure 2).

Four separate prospect areas were tested by the soil sampling program. These areas were: (1) Barnes Hill Extension, (2) Pandora, (3) Kelly's Lookout, and (4) Andersons Creek. The Barnes Hill Extension prospect is located west of the Barnes Hill Nickel Deposit in an area mapped as Anderson's Creek Ultramafics that are the host rocks to nickel-cobalt mineralisation in the region. The Pandora prospect is centred around the historic workings of the Pandora Copper Mine and a north-west striking fault interpreted to be the controlling structure to copper mineralisation at the mine. The Kelly's Lookout prospect is in an area with mapped small scale gold diggings located 12km to the South of the operating Beaconsfield Gold Mine. The Andersons Creek prospect is a historic Platinum Group Metal occurrence (principally Osmium and Iridium). This soil sampling program forms part of Proto's multi-commodity regional exploration strategy in Northern Tasmania.

The Company looks forward to providing further updates on its exploration and development projects in the near future.

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The information in this report that relates to Exploration Results is based on information compiled by Andrew Jones, who is a Member of the Australasian Institute of Mining & Metallurgy. Mr Jones is a full-time employee of TasEx Geological Services Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit 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 Exploration Results, Mineral Resources and Ore Reserves". Mr Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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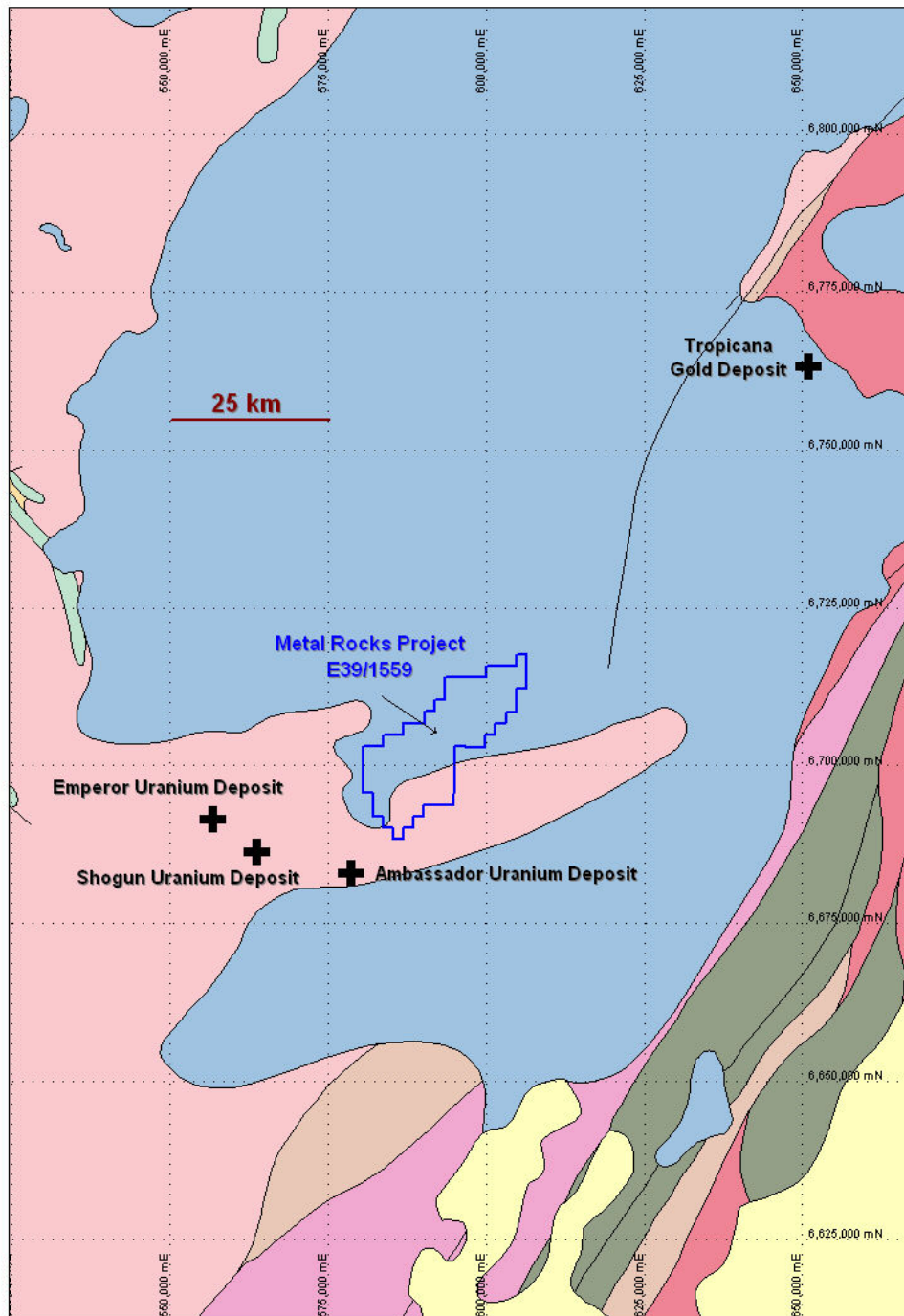


Figure 1 – Location of the Metal Rocks Project north-east of Kalgoorlie in WA.

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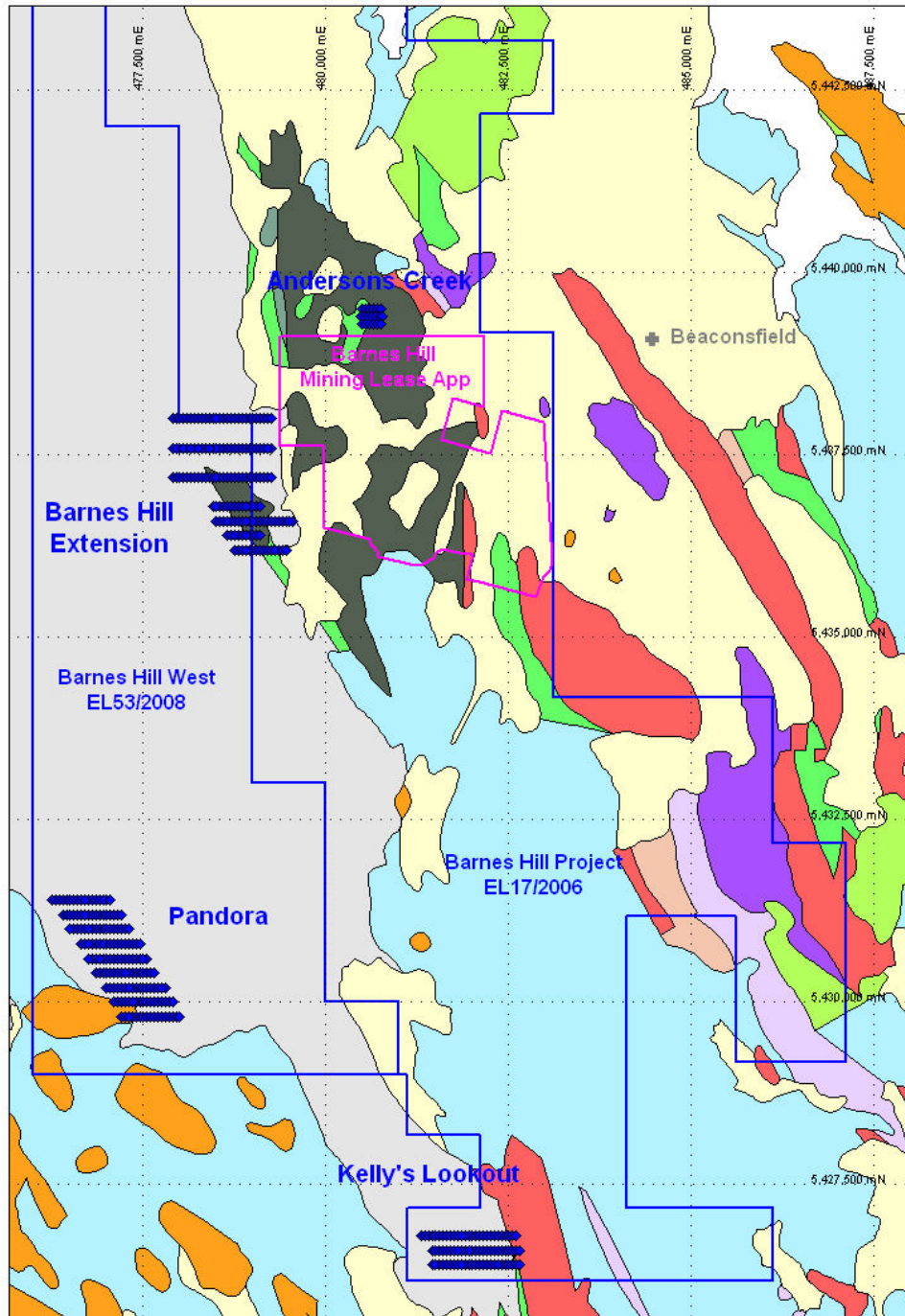


Figure 2 – Location of soil sampling programs at Barnes Hill West and Barnes Hill, Tasmania (blue dots).