

PROTO



RESOURCES & INVESTMENTS LTD

STOCK EXCHANGE ANNOUNCEMENT

November 28, 2011

Boardroom Radio November Investor Update

ASX Release Stock Code: PRW

Proto Resources & Investments Ltd ("Proto", "the Company") is pleased to provide an audio update with **Mr Andrew Mortimer, Managing Director** titled "Proto Investor Update November 2011".

Proto is preparing for the drilling of a 500m x 500m electromagnetic anomaly at Lindeman's Bore in the Northern Territory. The anomaly sits at 250m depth, approximately 1 km from the first Lindeman's Bore drill hole that returned copper in the assays. Drill rig mobilisation is to be finalised within the next two weeks, with drilling to follow rapidly. Proto has also entered into an agreement to acquire the Kiefernberg nickel laterite project in Germany. Located in Saxony, a mining-oriented region of the former East Germany, Proto is set to benefit from past work as well as excellent infrastructure.

At Proto's flagship Barnes Hill project, the Development Proposal and Environmental Management Plan ("DPEMP") has now been lodged. Approval of the mine is expected in the middle of 2012. The feasibility study is progressing well with a 500,000 tonnes per annum mining rate providing payback of less than three years. Although this increased rate has pushed out feasibility study delivery by a few months, it still fits within the required DPEMP approval timeline. Barnes Hill was recently mentioned in an announcement by its joint venture partner Metals Finance Limited (ASX: MFC), who have entered into a relationship with Dow Chemical on their Lucky Break project. This collaboration provides a clear pathway for the provision of resins for nickel and cobalt recovery at Barnes Hill. This adds to the comprehensive consortium being arranged around Barnes Hill, especially as Caterpillar Inc.'s finance arm is already signed up to the project.

To listen, copy the following details into your web browser: brr.com.au/event/89629

The presentation details are as follows:

- Proto Investor Update November 2011, with Mr Andrew Mortimer, Managing Director
- Mon, 28 November 2011 10:30am AEST

Enquiries:

Mr Andrew Mortimer
Chairman and Joint Managing Director
Proto Resources & Investments Ltd
Office: +61 (2) 9225 4000
Mobile: +61 (0)433 894 923

Proto Resources & Investments Ltd

ACN: 108 507 517

Suite 1901, Level 19, 109 Pitt St,
Sydney 2000 NSW Australia

PO Box R1870
Royal Exchange NSW 1225

p: +61 2 9225 4000

f: +61 2 9235 3889

e: info@protoresources.com.au

w: www.protoresources.com.au

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STOCK EXCHANGE ANNOUNCEMENT

Interview with Mr Andrew Mortimer, Managing Director of Proto Resources & Investments Ltd

BRR Today I'm pleased to be joined by the Managing Director of Proto Resources, Mr Andrew Mortimer. Andrew great to have you back.

AM Thanks a lot for that Tom.

BRR Andrew I'd like to talk about a number of your projects today, but we'll start with Lindeman's Bore. I understand you've delineated a 500 metre anomaly.

AM Look we have, it's an electromagnetic anomaly, 500 metres by 500 metres, and approximately at a 250 to 300 metre depth. So we're going to chase that up with some drilling in the near term, we're hoping to get a drill rig in the next two weeks, and we'll follow it up with a 600 metre deep diamond hole. Now it's about one and a half kilometres from the first drill hole that we did at Lindeman's, where we got some copper numbers, and we're essentially looking for the potential source of some of that anomalism and I think, yeah we spent a couple of years working on this project and we're now in a position where we can drill quite an interesting target off the back of all that work with the ground EM, the ZTEM airborne survey that we ran, and of course the help from several universities that have had input into this project.

BRR Well good luck with that. You've also entered into an acquisition agreement over a nickel and cobalt project named Kiefernberg, which is in Germany, are you able to comment on this for us?

AM Yeah look it's in Saxony in the old east Germany; it was actually operated in the communist era, so it has been a mine in the past. And thankfully it doesn't have any mining royalties which is great or any annual payments on the tenements. So they're very mining friendly. It's a great project to be in; we want it to be our second production project. Obviously there's a lot of in-country capability for engineering in Germany which is hardly surprising, so yeah look it's a great second project to have and we're looking to move that forward over the next six months. We've announced this previously but it's taken us a bit of extra time to get the whole thing moving and get all the paperwork done, but you know we're looking forward to it being project number two.

BRR Okay excellent. At Barnes Hill you've substantially increased the feasibility study, you've briefly lodged a DA and I also see that Dow has signed a deal with MFC; can you also comment on the happenings at Barnes Hill for us?

AM Yeah we've now lodged the development application, that's moved very smoothly so the public has had the chance to comment on it, within the time frame as I understand it there were no comments, but you know we're still dealing with all stakeholders, all the different local groups and state groups, who've got input into the project, so that's moving towards approval, we hope no later than the middle of next year – the middle of 2012; so we're very pleased to have hit that milestone. The feasibility study we're just playing around

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RESOURCES & INVESTMENTS LTD

STOCK EXCHANGE ANNOUNCEMENT

with that, we came up with some pretty good numbers in relation to project payback in under three years in relation to a half million tonne rate of mining, but we're still working away and putting other inputs into it and obviously after working around the Barrier Bay technology in terms of feeding some of those numbers into the feasibility study, so that's going to take us a bit longer, but the overall result should be very much better; so we're taking a few extra months on that but nothing material. I mean we have to wait anyway until we get our approvals so we might as well take an extra couple of months, if we can improve the efficiencies. And then yeah, as mentioned by MFC they've done a deal with Dow Chemicals on Lucky Break, but in their announcement they mentioned Barnes Hill by name, which is obviously their joint venture with us, and essentially that has given them a relationship with a group that can provide the nickel resins on a sustainable basis for the front-end recovery of the main payable metals, nickel and cobalt and obviously we're looking at the backend in relation to the iron and the magnesium and with Caterpillar Finance that we signed up recently, essentially we've got quite a significant consortium forming around this business enterprise, so it's coming together nicely. Obviously, there's the off taker arrangement that we had to put in place but we don't foresee that as being any problem at all. I was in Switzerland recently and I think an off taking partnership will be quite a straight forward commercial arrangement.

BRR **Okay Andrew, well plenty of news at Proto, thank you very much for joining us today and giving us those comments.**

AM Thanks a lot Tom.

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