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PROTO EXPANDS EXPLORATION IN WESTERN AUSTRALIA AS MT VETTERS DRILLING APPROACHES

Highlights

- Proto has completed the cash payment on the Mooloogool Joint venture with Dourado Resources Limited in the Sandfire-Doolgunna Region.
- Geological ground team completes successful site visit to the Mooloogool Project.
- Proto prepares to recommence exploration at the Mt Veters Nickel project, 30km north east of Kalgoorlie.
- Proto has successfully raised a total of approximately \$400,000 in recent rights issue funds. This is a strong positive response from shareholders in tough market conditions.

The Board and management of Proto Resources and Investments Ltd (“**Proto**”, the “**Company**”) (ASX: PRW) is pleased to announce that the recent rights issue of Proto shares to the current shareholder base has been very successful considering the very challenging market circumstances. Approximately \$400,000 was raised in August and September, and the company has used these funds to maintain its operations and prepare for the next round of exploration work on the Company’s projects. In correspondence with Proto’s shareholders, the Company received a great number of positive endorsements despite the tough circumstances for junior explorers like Proto. Additionally Proto is evaluating new brownfields gold projects that have walk-up production opportunities plus significant size upgrade potential through further drilling.

Proto has made the second payment of \$25,000 required to allow the formation of the Mooloogool Project joint venture with Dourado Resources Limited (“**Dourado**”) (ASX: DUO). Proto is extremely pleased with this acquisition and looks forward to continuing copper-gold exploration in the Sandfire-Doolgunna region on the Mooloogool joint venture project in the remainder of 2013. This final cash payment shows Proto’s ability to continue to make progress even in adverse market conditions.

In the past fortnight Proto has conducted its first site visit to the Mooloogool Project. Proto intends on conducting another site visit in the coming weeks and taking multiple infield samples for preliminary geochemical analysis with the company’s XRF Niton Gun. Proto will soon

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provide an in depth geological update on the Mooloogool Project once this geological data has been compiled and reviewed. This review will also facilitate final confirmation of the Company's short term exploration plans. Proto firmly believes that the Mooloogool project has substantial exploration potential having had only limited exploration work done in the past.

At Mt Vettters, Proto has now located the most likely area for the presence of komatiites. Proto encountered some difficulty with ground conditions with previous drilling; however planning for the next phase of the exploration programme to drill these newly identified targets in the December Quarter is underway. Proto has also planned a new drilling campaign which aims to better define the gold anomaly at Mt Vettters. The Company looks forward to recommencing exploration drilling of these new geophysical targets as soon as possible in order to continue testing for the Black Swan/Silver Swan nickel complex. Mt Vettters is situated 30km North East of Kalgoorlie, and as such, it is an attractively situated mineral exploration project which can be accessed with relative ease.

Despite difficult market circumstances Proto remains able to attract equity investment and continue work on its projects. An update on the Barnes Hill project will be provided in the coming weeks, with specific reference to the iron ore potential of the project. The Company is working strenuously to crystallise the value of its projects in order to better ensure that shareholder value is accurately reflected. Ensuring the sustainability of business operations is an important aim and the combination of value accretive exploration and developing Barnes Hill to production remain important drivers of this. The company looks forward to updating the market further.

Shareholders and interested parties should direct their enquiries to;

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