

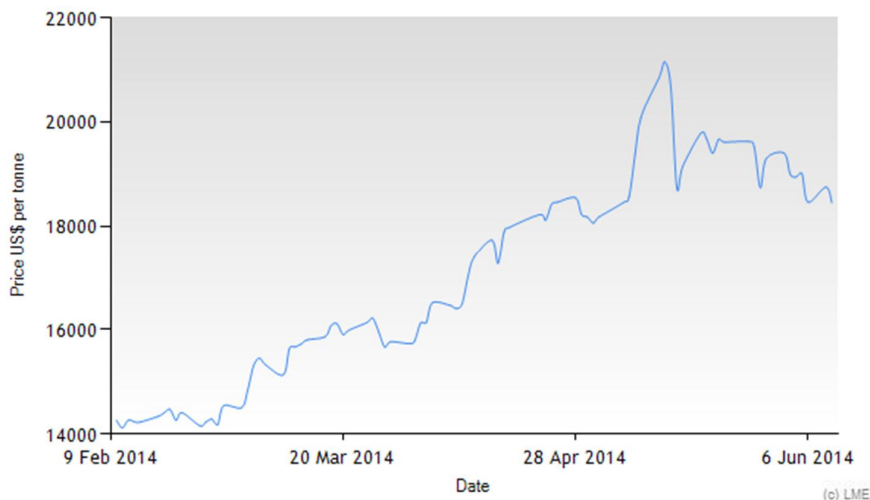
12 June 2014

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

June Quarter Company Update

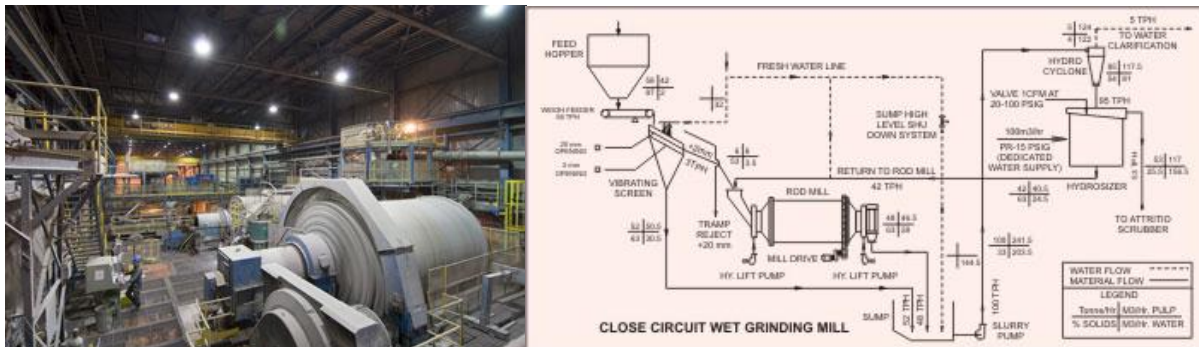
The Board of Proto Resources & Investments Ltd (**Proto**, the “**Company**”) is pleased to announce to market an update on the Company’s project activities. The Company is pleased to announce that the discussions with the Company’s potential cornerstone investor and project investor are going well and a further update in regards to this will be made in the coming weeks.

The market price of nickel has increased from just above \$14,000 per tonne at the beginning of February, spiking to approximately \$21,000 a tonne in early May, to balance out at approximately \$18,500 to \$19,000 per tonne in early June 2014. Proto is very pleased with this corrective nickel price appreciation as it will help Proto develop the Barnes Hill project now that new nickel metal pricing drivers are in place. Proto is very confident of the future of the minerals industry within Australia with the twin long term benefits of potential high margins and strong demand exacerbated by the previous under investment in supply from mineral projects.



Historical Price Graph for Nickel from the London Metal Exchange

Proto is currently awaiting the test results from Robbins Metallurgical on the iron ore samples previously provided from the Barnes Hill Project. These iron ore samples are being processed via gravity separation, wet high intensity magnetic separation (WHIMS) and grinding. The Company is very confident of having successful results from this test work based on early preliminary indications and look forward to announcing these results to market once testing has been completed. This test work will form the basis of a process flow sheet design for an iron ore upgrading system for installation at the Barnes Hill project once all relevant approvals have been received. Additionally the Company is currently speaking to iron ore screen manufacturers for additional iron ore separation capacity as part of the system.



Example of a Grinding Mill

The Proto development team is currently reviewing the Company's exploration portfolio in the Northern Territory and is conducting desktop review work on current and future projects within the area. Proto looks forward to restarting its nickel/copper/PGE exploration in the Northern Territory once further analysis has been completed and partnerships put into place. Proto's current focus is the Barnes Hill iron ore, nickel/cobalt project and the company is keen to pursue the development of this project as quickly as possible.

In order to properly manage the Beaconsfield project Proto has relocated its registered address to Unit 2, 70 Shaw Street, Beaconsfield, Tasmania, 7270. With this change in location and the storage of Proto's samples at 14 Tourneys Road, Beauty Point, Tasmania, 7270, Proto is able to be more focused on the next stage of development of the Barnes Hill project at Beaconsfield.

Note also that Ms Lia Darby, who is currently a director of Proto, is now also company secretary with Mr Kent Hunter resigning.

In conclusion Proto is continuing to make progress on its projects and preparing the operational infrastructure in Beaconsfield Tasmania to commence operations. The Company has seen a substantial resurgence in interest in the Barnes Hill nickel project as a result of the sharp increase and subsequent stabilisation in the nickel price. Proto looks forward to updating the market further in the coming weeks as more information comes to hand.

Shareholders and interested parties should direct their enquiries to:

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