



Accountants | Business and Financial Advisers

24 June 2014

## To Shareholders

Dear Sir/Madam

### **Proto Resources & Investments Ltd (Administrators Appointed) ACN 108 507 517**

As you will be aware, Todd Andrew Gammel and I were appointed Administrators of the abovementioned company on 13 June 2014 pursuant to Section 436C of the *Corporations Act 2001* ("the Act"), and were subsequently restrained from acting on same day due to an application to the Supreme Court of New South Wales by the Directors of the company.

On 20 June 2014, the Supreme Court of New South Wales ordered by consent that the injunction restraining the Administrators be dissolved.

### **What does the appointment of Administrators mean for me as a shareholder?**

Pursuant to Section 437F of the Act a transfer of shares in a company that is made during the administration of the company is void without the Administrator's consent or approval by a Court. Accordingly, the company will remain suspended from official quotation until further notice and may eventually be de-listed if it is unable to be restructured.

### **How long will the voluntary administration process take?**

Generally a voluntary administration will be concluded within a period of approximately 6 weeks; however, it may go on for a longer period.

### **What roll do shareholders play in a voluntary administration?**

The general rule is that shareholders do not participate in the process. The company is administered for the benefit of its creditors. The main aim of voluntary administration is maximise the chances of the company, or as much as possible of its business, continuing in existence.

If it is not possible for the company or its business to continue, then the purpose of administration is to attempt to provide a better return for the company's creditors and members than would result from an immediate winding up of the company.

### **Where can I find out more about the process?**

Further information on the process can be found at:

<http://www.asic.gov.au> or <http://www.arita.com.au/>

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**HLB Mann Judd****How will you communicate to us?**

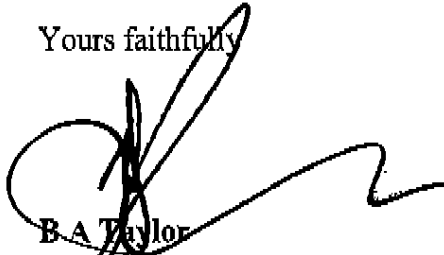
It is my intention to seek relief from the Australian Securities and Investments Commission in accordance with regulatory guide 174 and class order 03/392 to defer the company's annual reporting obligations and the holding of its AGM until such time as the outcome of the company's administration or any subsequent deed of company arrangement is known.

In order to keep the cost of communicating to shareholders to a minimum, I will endeavour to keep shareholders informed of any major developments via releases to the ASX.

**What should I do if I have further queries?**

Should you have any further queries in relation to this matter please contact Jessica Racsits of my office on (02) 9020 4335.

Yours faithfully



**B. A. Taylor**  
Administrator