

PROTO



RESOURCES & INVESTMENTS LTD

STOCK EXCHANGE ANNOUNCEMENT

February 18, 2011

RB Milestone New York Presentation

ASX Release Stock Code: PRW

Proto Resources & Investments Ltd ("Proto", "the Company") is pleased to release its latest investor presentation ahead of the Proto roadshow to be held in New York City next week. The road show is being conducted by RB Milestone with representatives from Proto.

RB Milestone produced a report late last year that was released on the 23rd of November with a target share price of \$0.26 cents per share. Since the release of this report the nickel price has increased to approximately US\$28,000 per tonne. RB Milestone will be preparing a subsequent update to their report.

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RB Milestone Presentation – New York, February 2011

**Andrew Mortimer, Chairman and Managing Director
“Nickel Explorer and Developer in Australia”**

Disclaimer



Important Notice:

This document is not a disclosure document nor does it constitute the provision of financial product advice. No representation or warranty is made as to the accuracy, completeness or reliability of the information. The information is provided expressly on the basis that recipients will carry out their own independent inquiries into the matters contained herein and make their own independent decisions about the affairs, financial position or prospects of the Company which reserves the right to update, amend or supplement any information at any time in its absolute discretion.

Furthermore some of the information in this report relates to future events or future business and financial performance. Such statements constitute forward-looking information within the meaning of the Private Securities Litigation Act of 1995. Such statements can be only predictions and the actual events or results may differ from those discussed due to, among other things, the risks described in "Proto Resources & Investment Limited" company reports.

Competent Person's Statement:

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.

The information in this report that relates to Exploration Results and Mineral Resources for the Waite Kauri Project (M37/1189) is based on information supplied by Mr Steven Goertz who is a member of The Australasian Institute of Mining and Metallurgy. Mr Goertz is a former employee of NiWest Ltd who undertook the resource estimate on the Waite Kauri Extended Project in 2002 and is not an employee or associated with the Company. Mr Goertz has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Mineral Resources and Ore Reserves". Mr Goertz consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resources for the Barnes Hill Project (EL17/2006) is based on information supplied by Mr Anthony Jannink who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Jannink is not an employee or associated with the Company. Mr Jannink has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Mineral Resources and Ore Reserves". Mr Jannink consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

Investment Highlights



- Advanced nickel project with near-term production potential at Barnes Hill, northern Tasmania, with feasibility study underway
- Detailed drilling completed on one of the three ore-bodies, with nickel/cobalt and broad iron-rich intersections confirmed.
 - On 18 October 2010, Proto announced: “A total resource for the Barnes Hill portion of the overall deposit (the Barnes Hill project contains the Barnes Hill deposit, Mt Vulcan deposit and Scotts Hill deposit) of 6.6Mt at 0.82% Ni and 0.06% Co at a 0.5% Ni cutoff has been estimated (Table 1), of which more than 5.6Mt now falls within the Indicated category” (<http://www.protoresources.com.au/sites/default/files/20101018.pdf>)
 - On 23 November 2010, Proto announced: “Proto are pleased to announce that a Reserve of 4.0 Mt at 0.84% Ni and 0.06% Co at a 0.70% nickel equivalent cut-off has been estimated by Snowden Mining Industry Consultants for the Barnes Hill deposit. At a proposed mining rate of 250,000 t per annum the currently defined reserve represents a mine life of 16 years” (<http://www.protoresources.com.au/sites/default/files/101123 - Barnes Hill Reserve Statement.pdf>)
 - Previously 12.1 Mt JORC Indicated Resource @ 0.83% Ni & 0.07% Co at Barnes Hill in three separate ore-bodies
- Clean nickel processing technology in development. Shipment of bulk samples completed and pilot plant processing started in February.
- Exploration opportunities in WA and NT
- Cash at bank \$2m plus approx \$2.5m strategic investment portfolio, including substantial holding in Metals Finance Corporation (JV partner at Barnes Hill)

Corporate Strategy



Building shareholder value through:

- Focus on nickel laterite resource, iron ore resource and nickel sulphide exploration at flagship Barnes Hill project, northern Tasmania
- Commercialisation of nickel processing technology at Barnes Hill. Clean nickel processing technology now under International Patent with pilot plant underway
- Development of WA nickel resource south of Murrin Murrin (Inferred Resource of 3.9 Mt at 1.04% nickel)
- Exploration assets in WA and NT
- Development of North American and European market opportunities including Frankfurt listing

Board of Directors



- Andrew Mortimer, Chairman & Managing Director (lawyer, mining executive)
- Lia Darby, Executive Director (lawyer, mining executive)
- Ian Campbell, Non-Executive Director (ex Australian Federal Environment Minister)
- Greg Melick, Non-Executive Director (SC, ex Tasmanian Crown Prosecutor, Major General, Head of Australian Defense Reserves)
- Kay Philip, Non-Executive Director (geophysicist, company director)

Senior Management and Consultants



- Ashley Hood, Chief Operating Officer (ex Anglo Gold Ashanti)
- Pierre Richard, Chief Development Officer (ex Mallesons, Macquarie Bank)
- Carl Swensson, Consulting Geologist (Swensson Resource Management Pty Ltd, ex Normandy)
- Andrew Jones, Consulting Geologist (Tasex Pty Ltd)
- Mark Wells, Public Relations (MWPR Pty Ltd)
- Angus Middleton, Corporate Consultant (SA Capital Pty Ltd)
- RB Milestone Group, Equity Research

Capital Structure

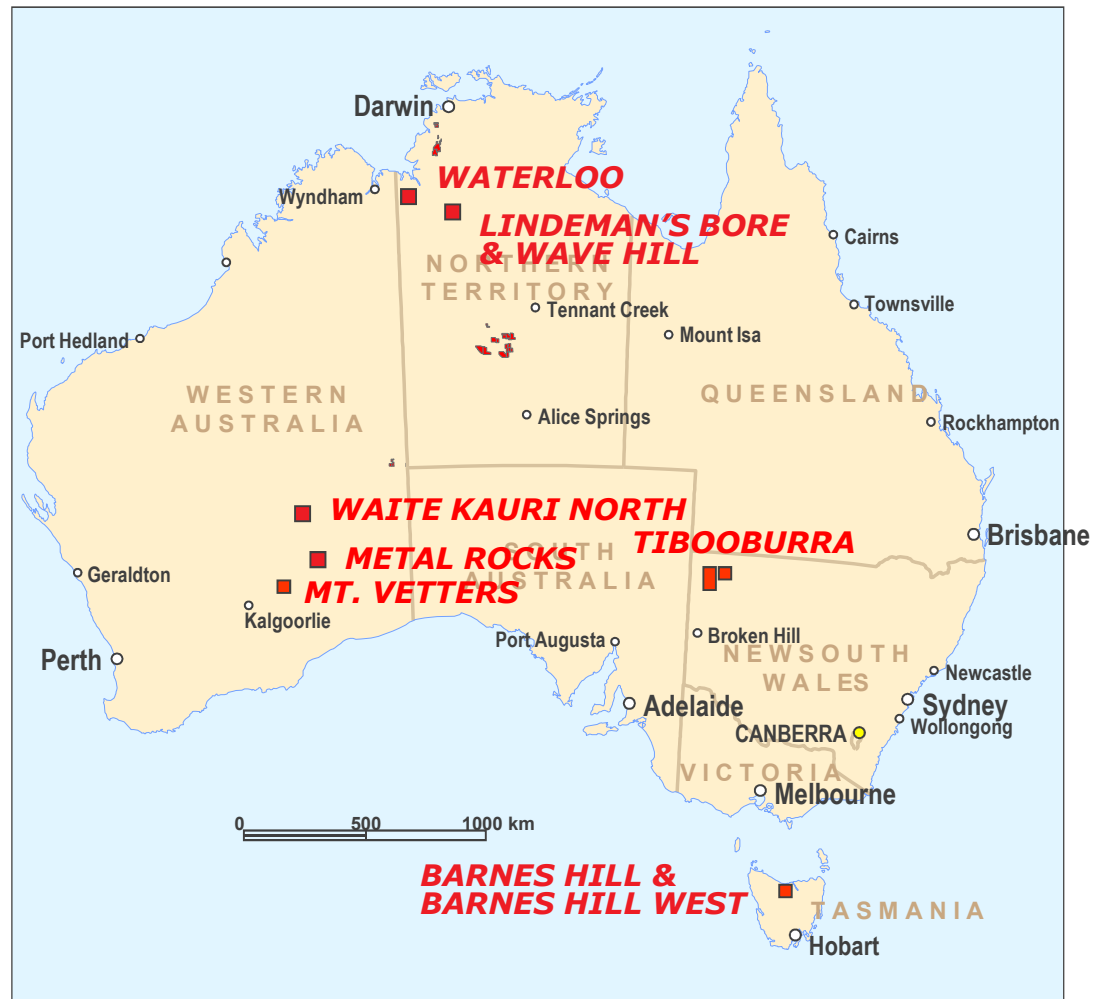


- 382.1 m fully paid ordinary shares (ASX:PRW)
- 23.7 m options expiring @ 20 cents on 31 August 2011 (ASX:PRWO)
- 51.7 m options expiring @ 25 cents on 31 December 2013 (ASX:PRWOA)
- 136.8 m options expiring @ 5 cents on 31 December 2011 (ASX:PRWOB)
- Market cap approx. A\$23 m (undiluted @ share price of 6 cents)
- JP Morgan held 27.02% by 31 January 2011

Australian Project Activity



- Development
 - Barnes Hill
 - Waite Kauri North
- Brown Fields
 - Mt Vettters
 - Tibooburra JV
 - Clara Hill
- Exploration
 - Lindeman's Bore
 - Wave Hill and Waterloo
 - Metal Rocks
 - Doolgunna Projects



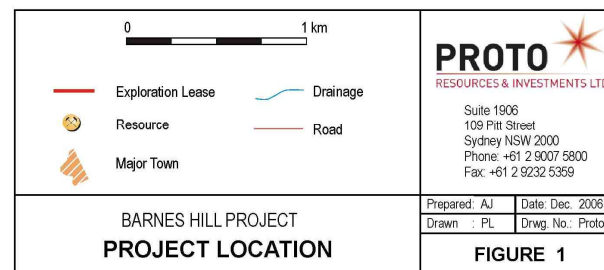
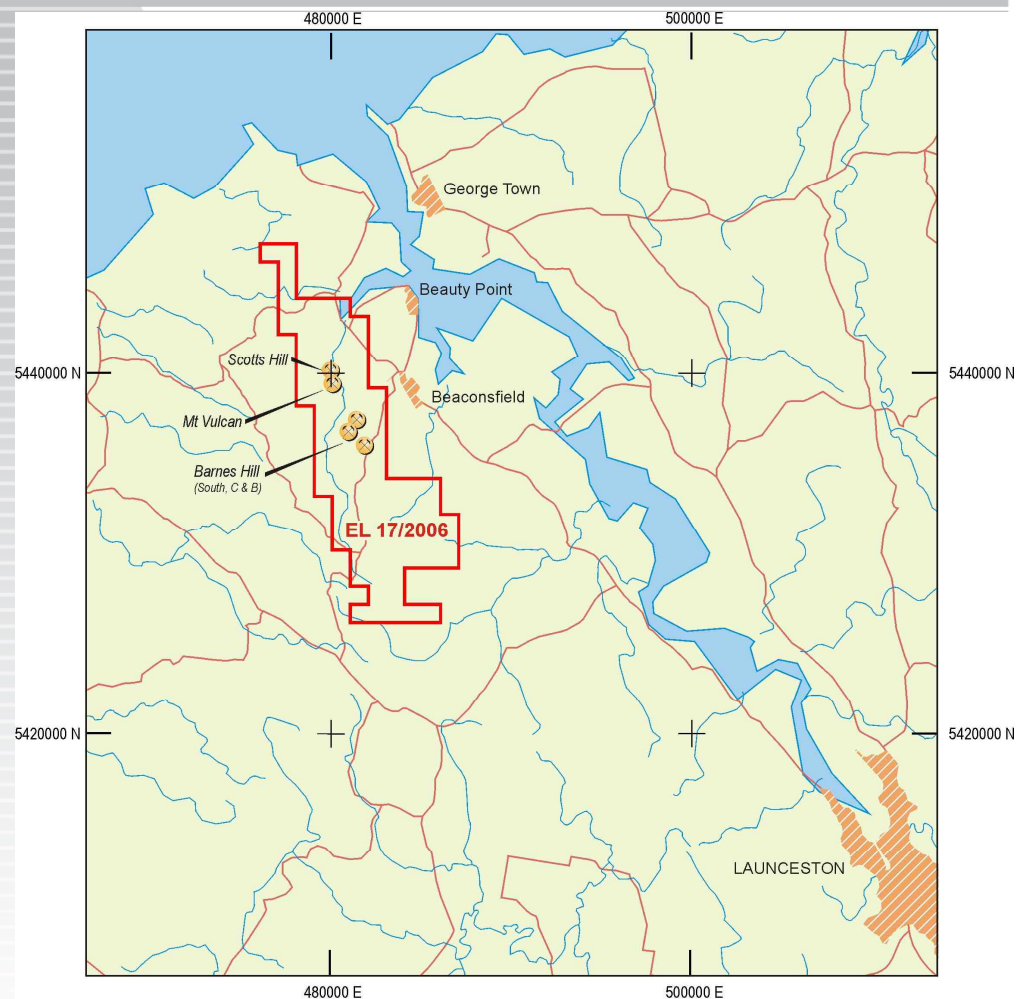
Barnes Hill

Tasmanian Nickel-Cobalt Resource

February 2011

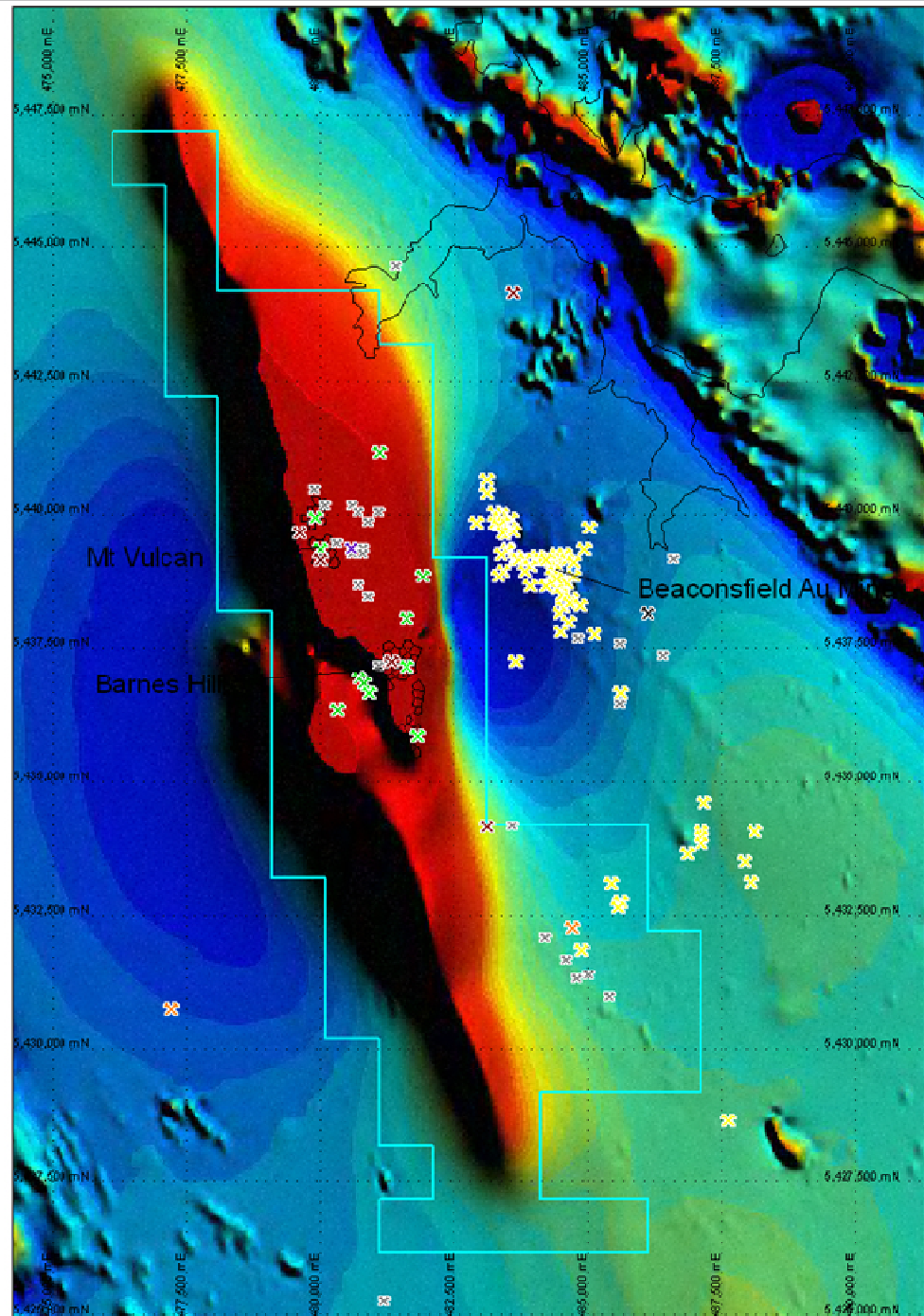
Barnes Hill, Tasmania

- 50:50 development JV with Metals Finance Limited
- Superb infrastructure just 35km from Launceston and 15km from deep water port of Bell Bay
- Feasibility study underway and metallurgy showing low acid consumption ore
- MFC funding feasibility study at Barnes Hill; completion mid 2011
- JV aiming at production and first cash flow in late 2012
- Proto top three shareholder in MFC with approx 8% holding



Barnes Hill Resource

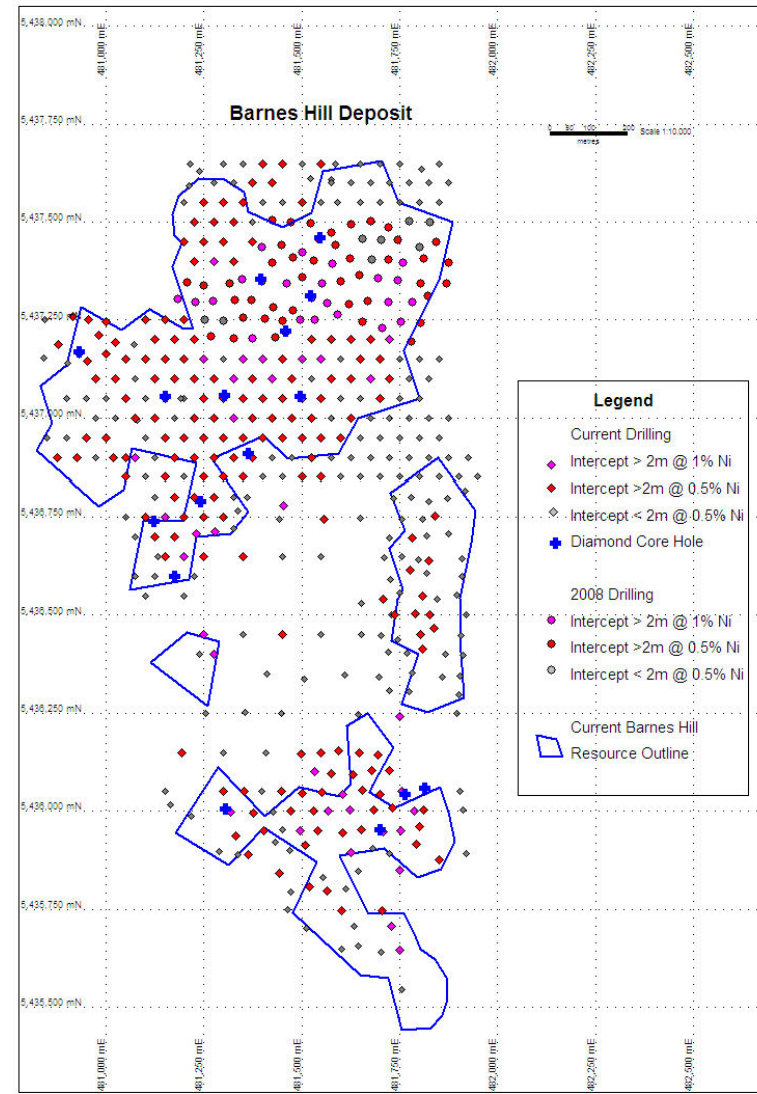
- Magnetics of the Andersons Creek Ultramafic Complex
- Drill hole database shows potential to increase resource
- Exploration potential in surrounding district for additional laterites under Tertiary and Quaternary cover
- Additional exploration potential for Avebury-style Ni Sulphides
- Beaconsfield Gold Mine 2km east of tenement boundary and a complex structural history



Barnes Hill Drill-Out



- Drill-out of the resource completed with re-estimation of the resource underway. Assays identified strong nickel and cobalt intercepts including:
 - 10m @ 1.0% Ni & 0.078% Co from 3m
 - 16m @ 1.4% Ni & 0.048% Co from 9m
 - 13m @ 1.5% Ni & 0.092% Co from 11m
 - 12m @ 1.1% Ni & 0.061% Co from 1m
 - 11m @ 1.2% Ni & 0.068% Co from 5m
 - 6m @ 1.3% Ni & 0.04% Co from 0m
 - 8m @ 1.0% Ni & 0.036% Co from 14m
 - 8m @ 1.1% Ni & 0.13% Co from 1m
 - 8m @ 1.1% Ni & 0.026% Co from 1m
 - 9m @ 1.2% Ni & 0.056% Co from 2m
 - 9m @ 1.1% Ni & 0.025% Co from 1m
 - 5m @ 1.1% Ni & 0.069% Co from 0m
 - 6m @ 1.05% Ni & 0.088% Co from 3m
 - 8m @ 1.04% Ni & 0.081% Co from 3m



View Barnes Hill flyover @ www.protoresources.com.au/video.aspx



DPEMP and Development Progress

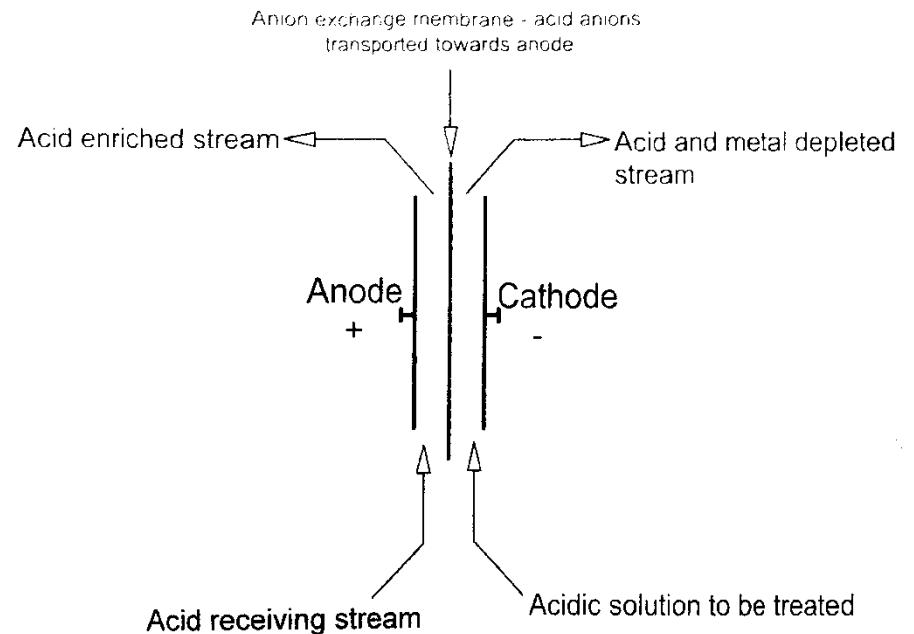


- Proto has submitted a Notice of Intent (NOI) to the Tasmanian Environment Protection Authority (EPA).
 - The EPA has issued guidelines for the drafting of the Development Proposal and Environmental Management Plan.
 - Main environmental work completed with extensive studies showing no material presence of fauna, the mine and plant designed around flora populations and heritage surveys completed with “green-light” results.
- Mining will involve ore extraction from surface pits, ore preparation and nickel extraction using vat leaching to produce a dilute 8g/L sulphuric acid solution.
- Proto is continuing to pursue innovative processing technology that will improve reagent recovery and lower the environmental footprint.
 - Proto’s Clean Technology was a runner-up at the 2009 Australian Mining Prospect Awards. The technology will reduce the expected vehicle movements, reagent usage and brine dam footprint as outlined in the NOI. A rigorously tested flow sheet has now been completed.
 - Technology uses water, power and reagents to reduce acid consumption and the size of the spent ore storage facility.

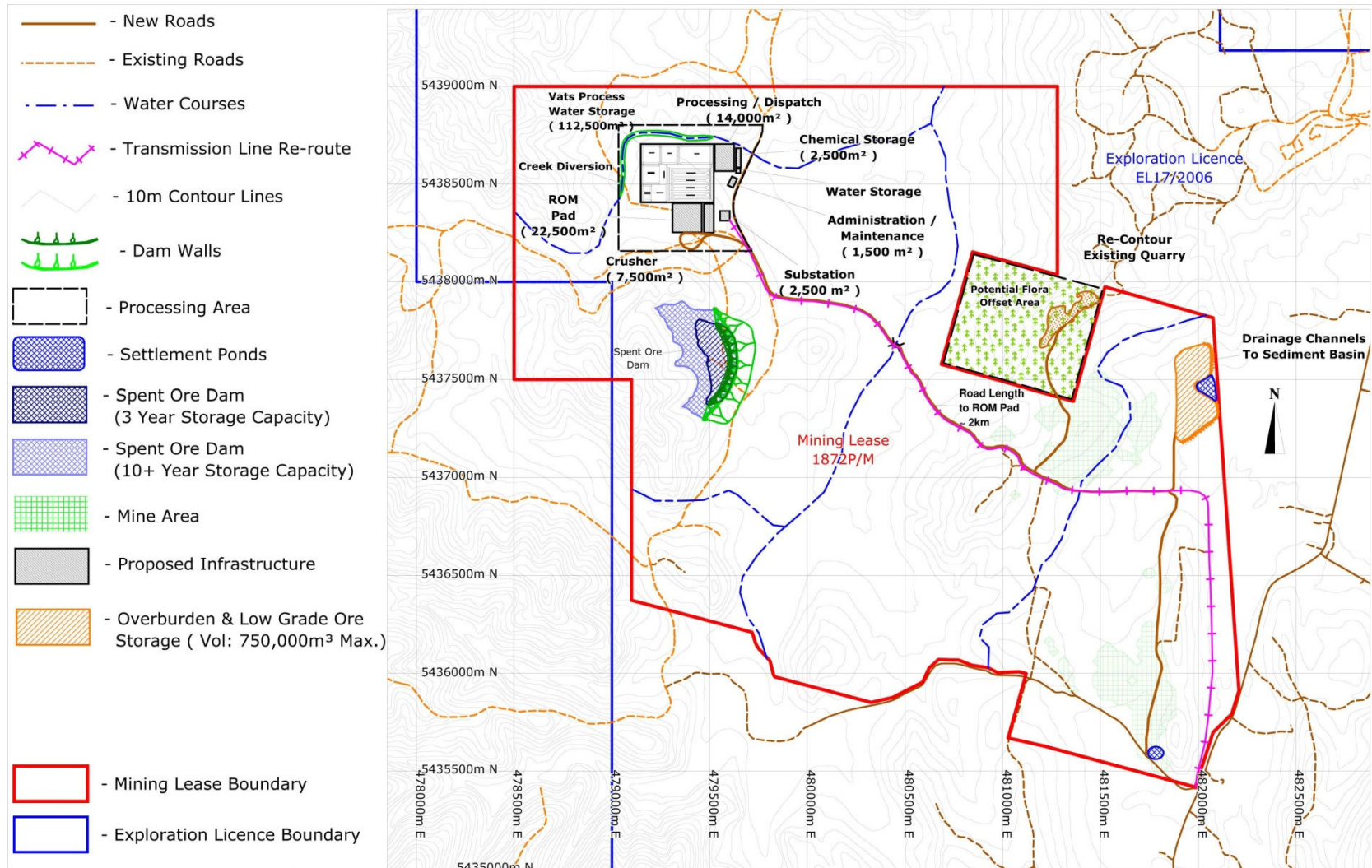
Processing Technology



- Patent published in July 2010
 - Electric current passed through acidic solution;
 - Current causes generation of hydrogen at the cathode. The high pH causes the metal cation to precipitate as a hydroxide;
 - Oxygen and hydrogen ions are formed by hydrolysis as the counter-reaction at the anode. Hydrogen ions combine with the anions to regenerate sulfuric acid; and
 - A membrane keeps the anion separate from the metal to enable the recovery of acid.

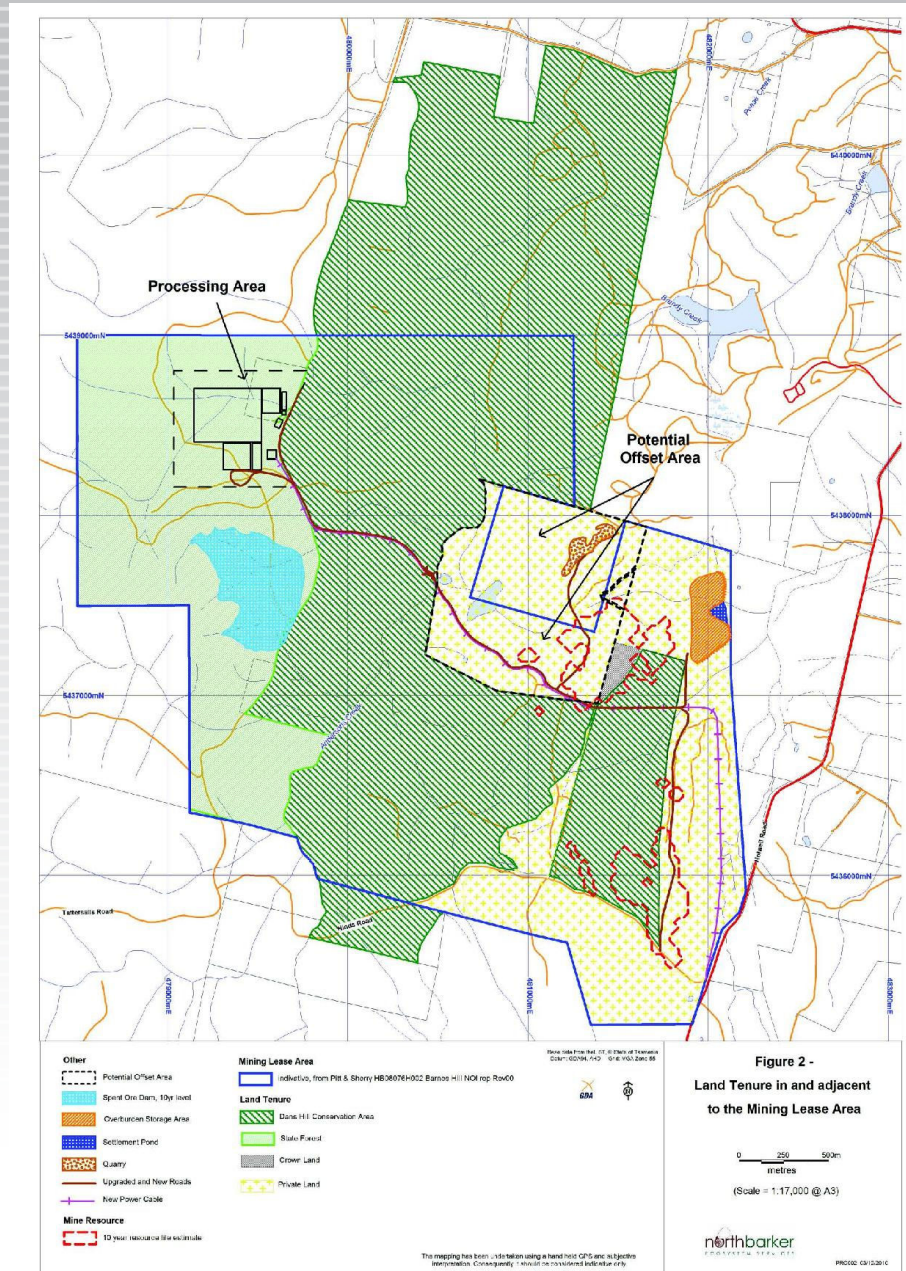


Project Layout

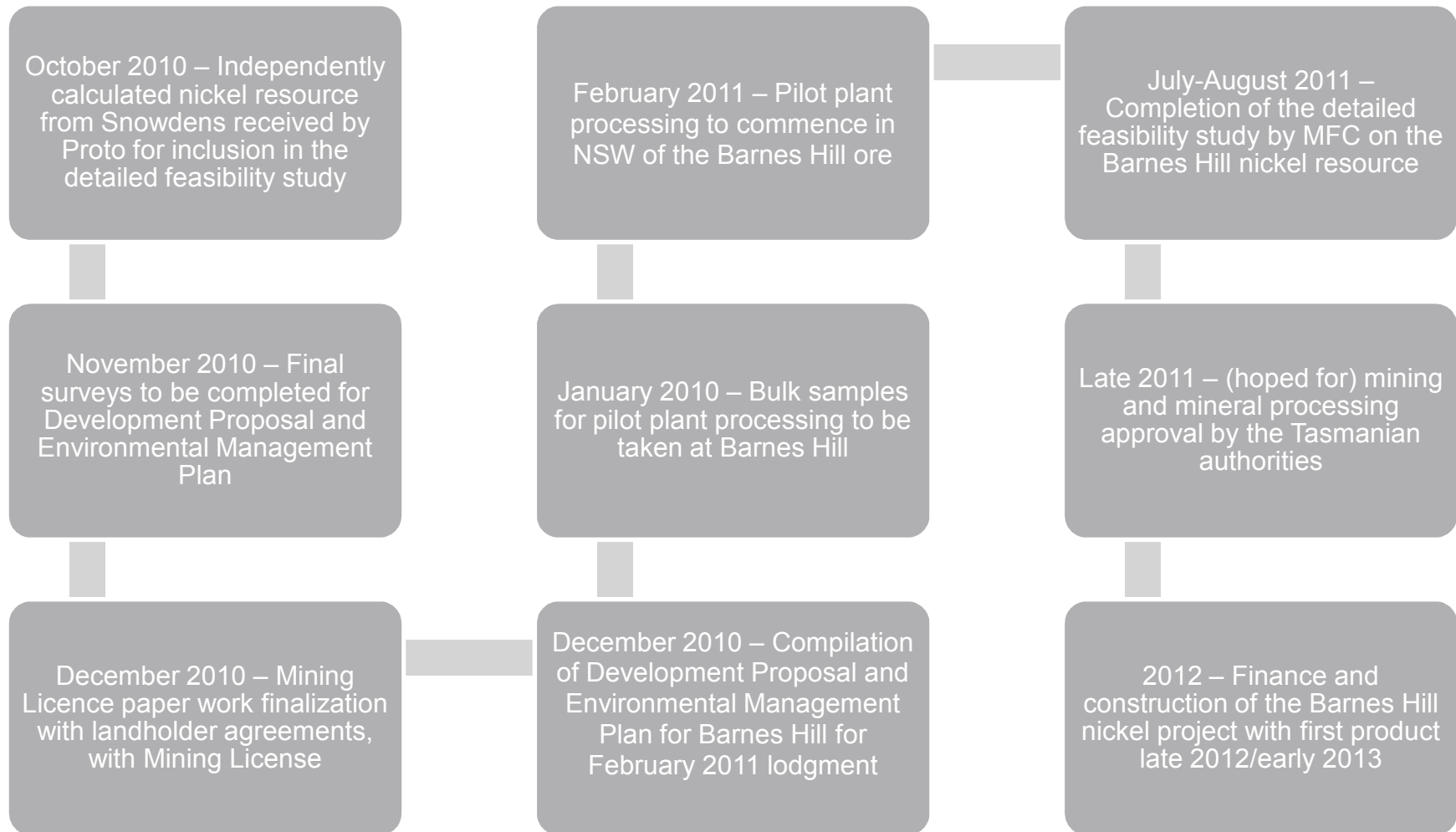


Mine Layout and the Environment

- All impacts have been avoided or minimised.
- Processing all placed furthest from residents and outside reserve, as is the north-south haul road.
- No active dens of Spotted-tailed quoll or Tasmanian devil, and no masked owls.
- Comprehensive offsets through proposed purchase 105 ha private land to support 87 ha of native habitat.



Indicative Timeline to Production



February 2011

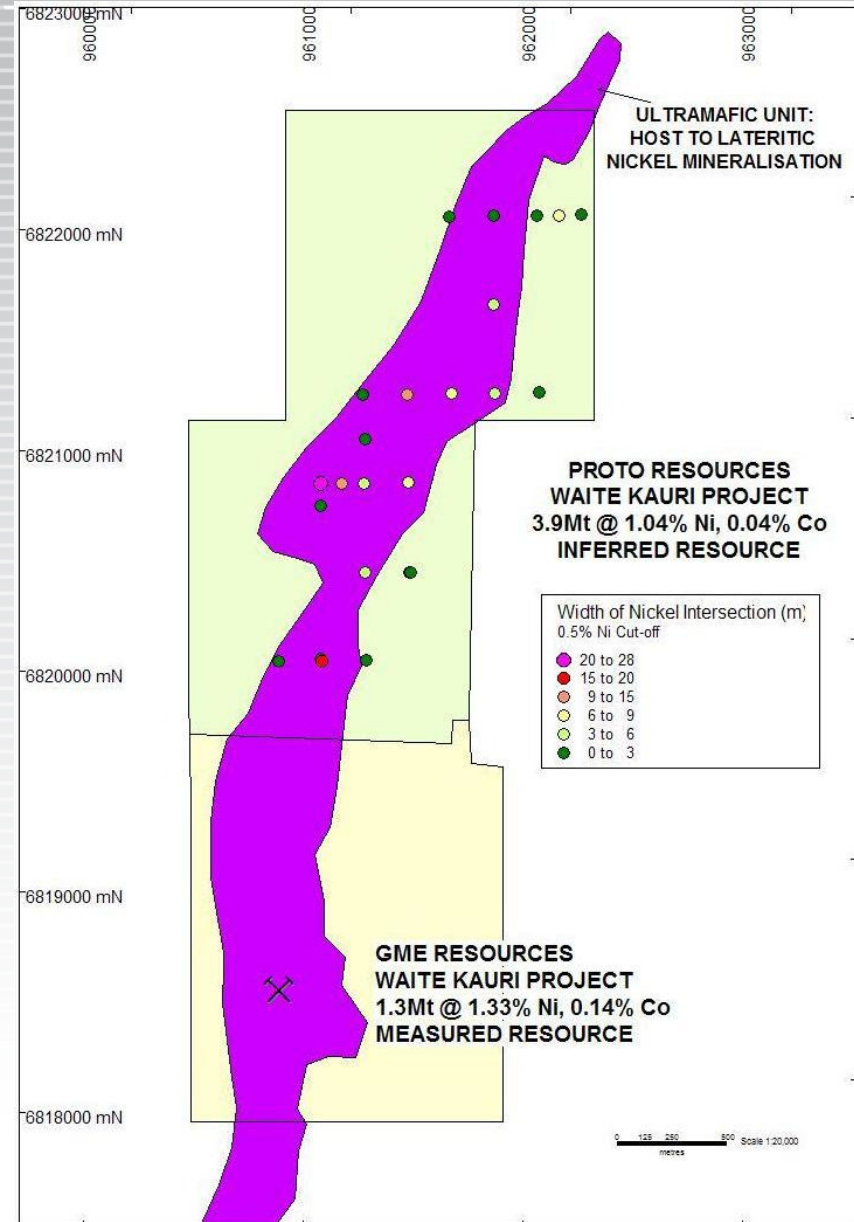
Waite Kauri North

WA Nickel Resource

February 2011

Waite Kauri North, WA

- Recent acquisition of Mining Lease M37/1189 from Warwick Resources
- Located immediately to the north of GME Resources' project and approximately 20km from Minara's Murrin Murrin nickel operation near Leonora in Western Australia.
- Project contains a JORC compliant Inferred Resource of 3.9 Mt at 1.04% nickel, representing 40,541 tonnes of contained nickel and 1,448 tonnes of contained cobalt
- Proto plans to enhance the Inferred Resource in late 2010 with a scoping study due to commence



Exploration Projects

WA and NT

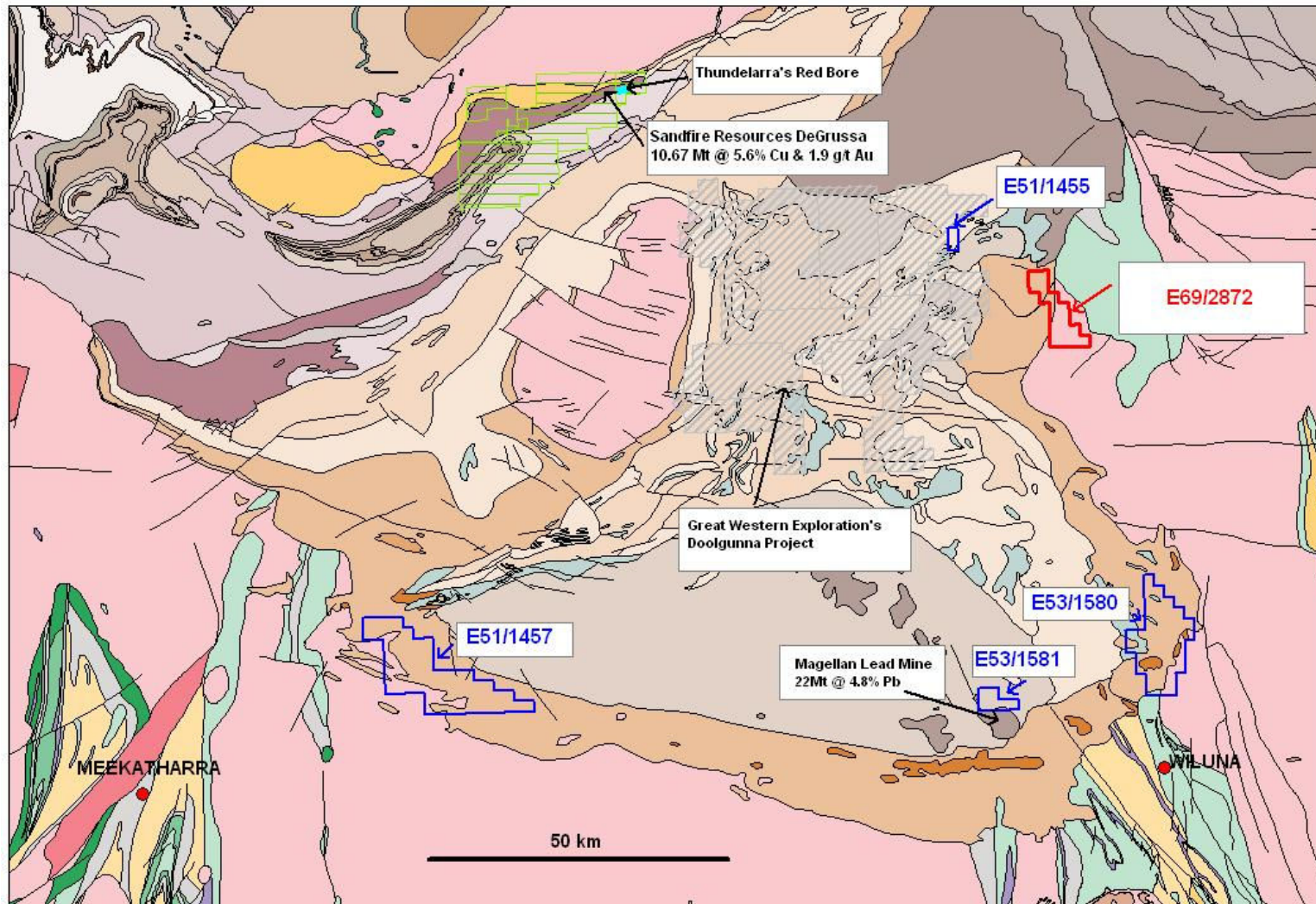
February 2011

Proto enters the Doolgunna Region



- Four new exploration licence applications, E51/1455, E51/1457, E53/1580 & E53/1581, have been lodged in the Doolgunna Region of Western Australia.
- The four exploration licence applications cover a combined area of 357km² and have been pegged to explore principally for base metals and gold.
- The Company considers that the new application areas may contain rock units analogous to those that host known Cu-Au and Pb mineral deposits in the region. All four applications are within the Palaeoproterozoic-aged Yerrida Basin.
- Great Doolgunna Project [E51/1455]. This licence application lies 60km southeast of Sandfire's DeGrussa Cu-Au Deposit and adjoins Great Western Exploration Limited's Doolgunna Project. Exploration immediately east of the application area by the Geological Survey of Western Australia and Great Western Exploration has defined a very broad polymetallic geochemical soil anomaly along with several VTEM conductors.

New Applications in the Doolgunna



February 2011

New Acquisition at Clara Hill, WA

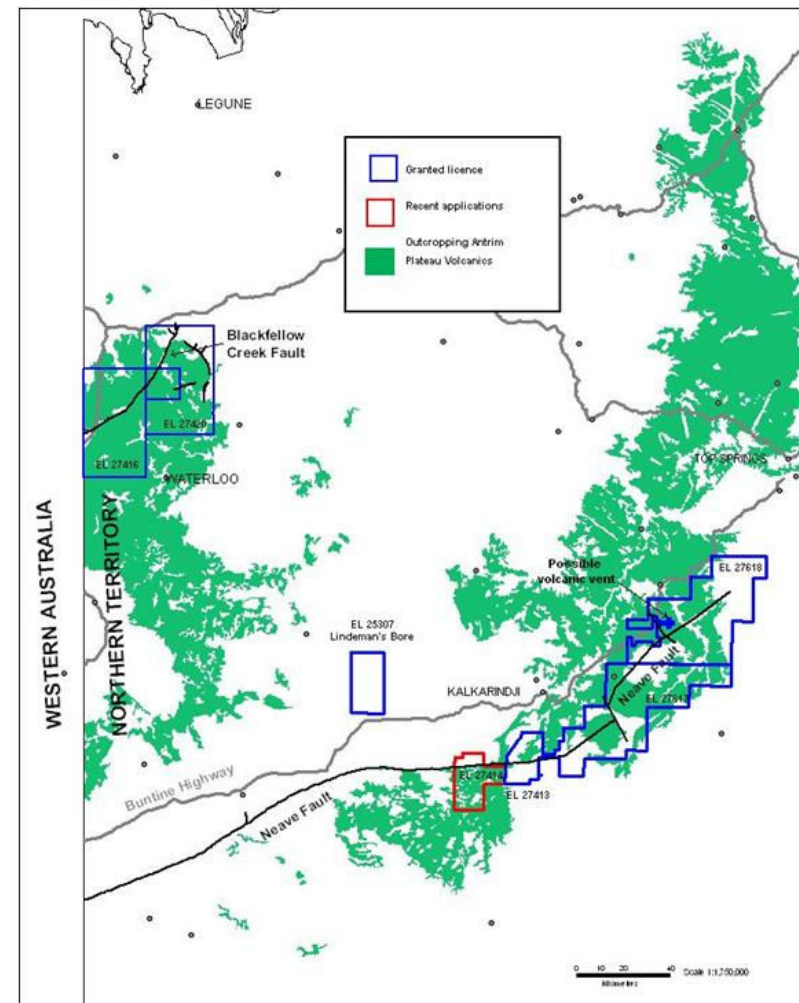


- Proto has executed a legal agreement to earn an 80% interest in the Clara Hill Project mining tenements E04/1533 (granted) and E04/2026 (under application) in the West Kimberley of Western Australia. Proto also has an option to purchase the remaining 20% interest of the project.
- The Clara Hill Project contains an advanced nickel, copper, platinum and palladium (“Ni-Cu-PGE”) prospect. The high grade gossan at this prospect has been previously commercially exploited.
- Geochemical samples from the first phase of modern exploration garnered sub-surface mineralisation including 3.7% Cu, 0.8% Ni, 29g/t Ag and 1.14g/t Au.

Expanded NT Tenement Portfolio



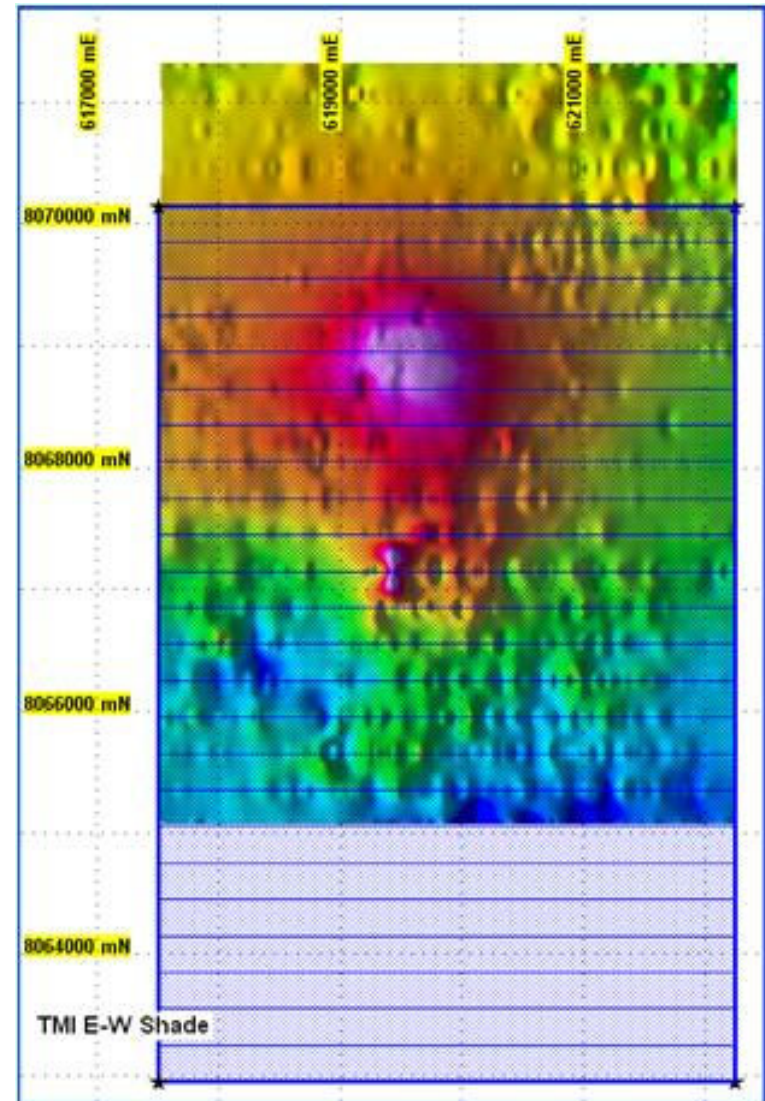
- Proto is continuing work across its whole Northern Territory tenement portfolio (incorporating five recently granted tenements at Waterloo and Wave Hill and EL25307 at Lindeman's Bore), along with Queensland University of Technology researchers
- Field work due to begin with geological mapping over the Waterloo project and examination of the Lindeman's Bore and Wave Hill project areas
- Exploration aims at pursuing prospective fault structures that might have acted as vents and feeders to the Antrim Plateau Volcanics under the Ni-Cu-PGE Norilsk-style mineralisation concept that Proto is targeting
- Recent rock chips returned copper assays of 8.8%, 1.02% and 1% and confirm historical data that showed copper mineral occurrences along or close to the Blackfellow Creek Fault structure at Waterloo.



Lindeman's Bore Anomaly, NT



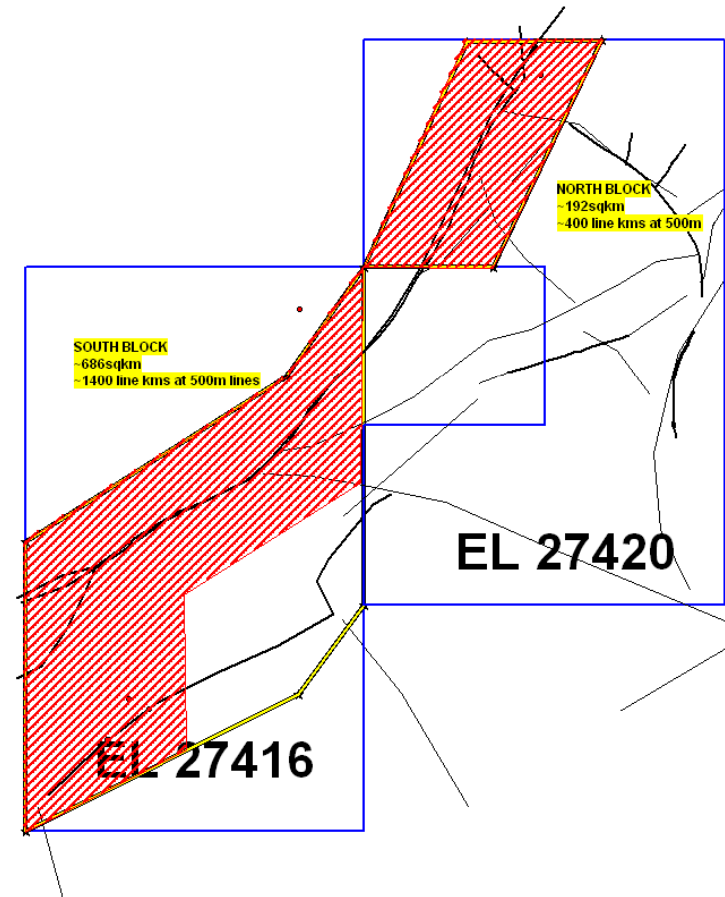
- Lindeman's Bore, on granted exploration licence EL25307, is located 380km southwest of Katherine near the Kalkarindji community
- The first drilling uncovered a mafic intrusion and cobalt mineralisation. LDB-1 results included:
 - 24m @ 4.92g/t Ag from 32m including 4m @ 16.15g/t Ag
 - 5m @ 0.13g/t Au from 380m and 6m @ 0.03% Co & 0.05% Cu
- A ground EM program around collars of the first hole was pursued to place a follow-up hole.
- Second diamond drill hole LBD-2 drilled also intersected a mafic intrusion. LBD-2 results included:
 - 7m @ 1.1g/t Au from 424m to 431m including 1m @ 5.32g/t Au and also 1m @ 0.45g/t Pd (Palladium)
 - 14m @ 0.106% Cu from 467m including 5760, 2680 and 2290ppm Cu over short intervals



Waterloo, NT



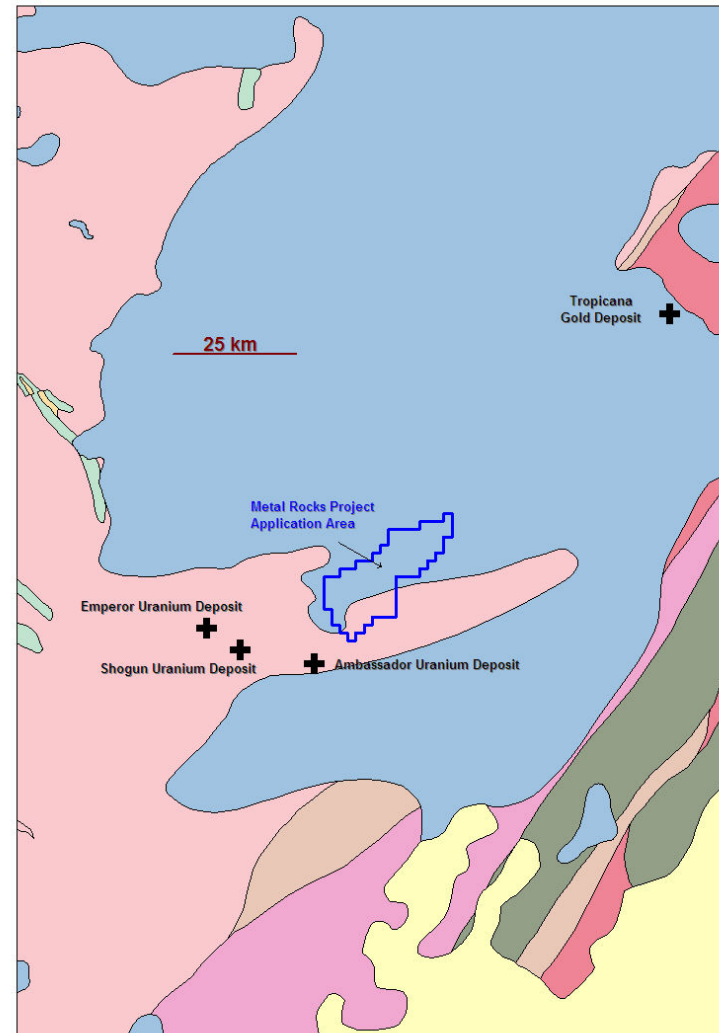
- The Waterloo project consists of two exploration licenses (EL27416 and EL27420) covering the majority of the strike extent of the Blackfellow Creek fault.
- Proto has designed a two-stage airborne ZTEM and gravity geophysical survey that will target potentially mineralised sulphide bodies at depth using a new electromagnetic technique. This technique will also be used at Lindeman's Bore
- The exploration concept is that the Blackfellow Creek Fault might have acted as a vent and feeder to the Antrim Plateau Basalts. Such vents and feeders are interpreted to have the potential to host "Norilsk-type" Ni-Cu-PGE targets under this geological model.



Metal Rocks, WA



- Exploration licence application (ELA39/1559) covering an area of 321.9km² that is located 250km northeast of Kalgoorlie
- The Metal Rocks project is in a very prospective region of WA on the edge of the Yilgarn Craton in the vicinity of known uranium and gold deposits.
- Nearby deposits include the Ambassador (Inferred Mineral Resource of 16.53Mt @ 630ppm U₃O₈) owned by Energy and Minerals Australia Limited and Tropicana (Measured, Indicated and Inferred Mineral Resource of 75Mt @ 2.07g/t Au) owned by AngloGold Ashanti Limited.
- Near term desktop analysis to occur before soil sampling and geophysics



Corporate Summary



- Proto has been designed and constructed to become a leading nickel producer, processor and explorer.
- “Nickel’s strong economic future due to its hardness and non-corrosive properties makes it an very attractive global commodity. Nickel’s business case is only made more attractive by poly-metallic exploration in nickel laterite ore bodies and Ni-Cu-PGE mineralisations that Proto is uniquely placed to pursue with the company’s impressive asset register. The company has been independently and internationally recognised for its projects, technology and vision. The company looks forward to delivering these outcomes in the future.”
Andrew Mortimer, Chairman
- Proto remains open to joint venture, acquisition and investment opportunities to further increase value

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