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

## **NEW GOLD TARGET - MT VETTERS**

- **Similarities in alteration, lithologies and structural setting to the Kanowna Belle Gold Mine have been observed in geological logging of Diamond drill hole tail MVPDH001.**
- **Selective intervals of core from the recent drilling program have been submitted to ALS laboratory for analysis of gold.**
- **A 350 metre Reverse Circulation drill hole is being planned to further test the interpreted BSKC trend, based on geophysical targets.**

The Board of Proto Resources & Investments Limited ("Proto" & the "Company") is pleased to provide shareholders with an update on the drill results of the recent Reverse Circulation and Diamond drilling of the nickel sulphide target at the Mt Vettters Nickel and Gold Project E27/358 ("Mt Vettters").

### **Reverse Circulation and Diamond Drilling**

A Reverse Circulation ("RC") and Diamond core ("Diamond") drilling programme was completed in mid – February 2013 at the Proto Resources Mt Vettters Project E27/358 (see Figure 1).

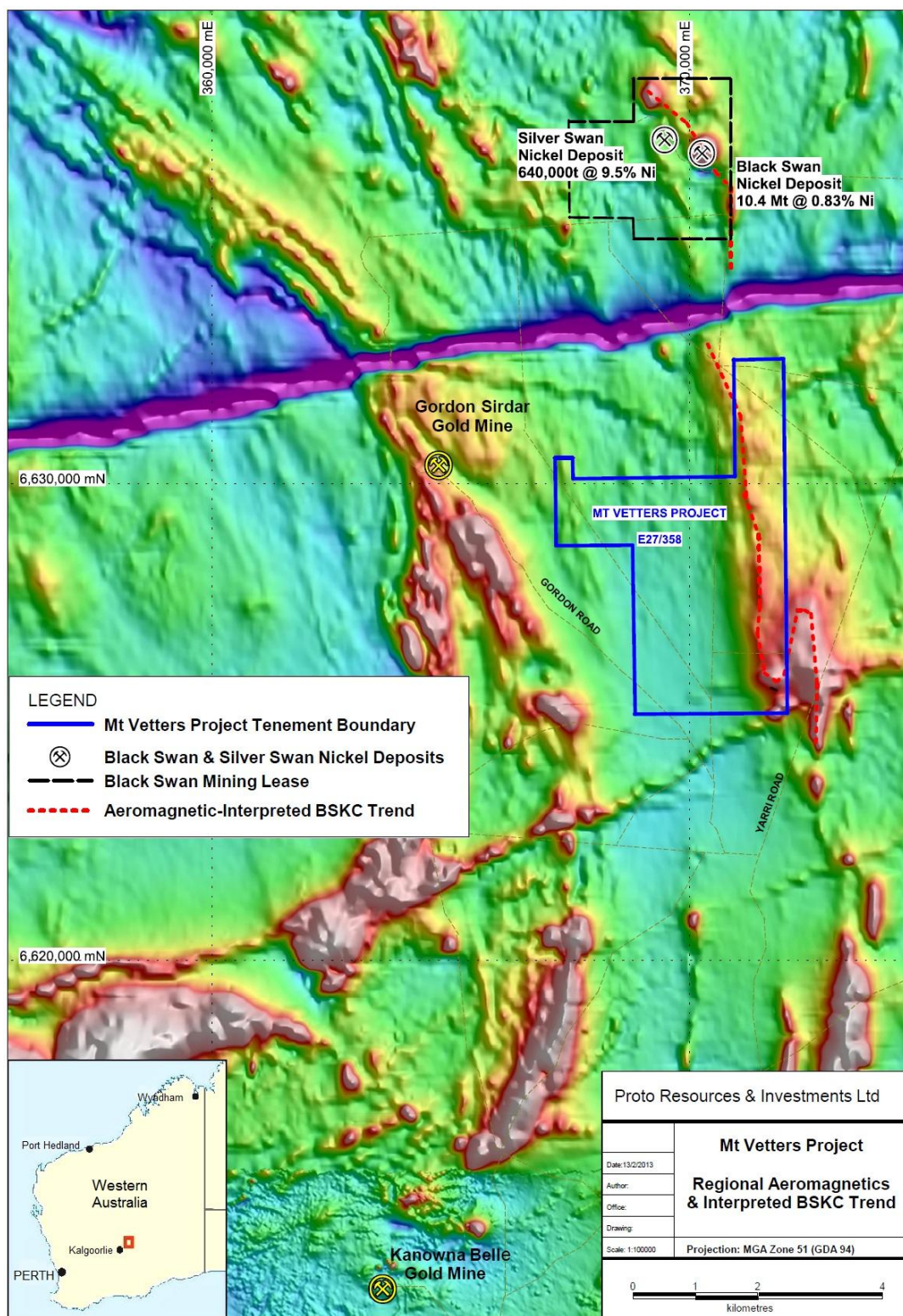


Figure 1. *Mt Veters Project location map over regional aeromagnetic image displaying the interpreted BSKC.*

As announced to the ASX on the 8<sup>th</sup> February 2013, RC drill hole (MVPRC005) was drilled vertical to 61 metre (m) depth before encountering unconsolidated palaeochannel sands and high groundwater flows. This resulted in a lack of outside air return for the RC method to proceed. RC hole MVPRC005 was consequently used as a pre-collar for the Diamond tail hole (MVPDH001).

MVPDH001 was drilled to 375.5 m below surface in intermediate felsic volcanic rocks and associated volcanoclastic rocks. No ultramafic rock types were intercepted to indicate the presence of the Black Swan Komatiite Complex ("BSKC") at this locality and no off-hole geophysical anomalies were detected from a down-hole electromagnetic survey, conducted by Outer Rim Exploration Services at the completion of drilling.

Zones of quartz-carbonate stringers, veins and associated moderate-to-strong sericite and subordinate chlorite alteration was intercepted by MVPDH001 in volcanoclastic sandstone host rocks (see Figure 2 for photographic examples of vein and stringer intensity). Fine grained and disseminated pyrite (up to 5% visual estimates over intervals  $\leq 10$  metres) is also associated with the alteration assemblage.





Figure 2. Photographs of MVPDH001 core displaying zones of variable intensities of quartz-carbonate veins and stringers and associated bleached sericite-chlorite alteration zones.

Selective intervals have been chosen for core cutting and sampling for analysis of gold (see Table 1 for interval descriptions), as a test for a possible analogy to the geology and style of gold mineralisation occurring at the nearby Kanowna Belle Gold Mine (see Figure 1). Assay results for gold and a selection of multi-elements are pending at the time of this announcement.

Interval from (m)	Interval to (m)	Interval width (m)	Lithology	Veining (visual %)	Alteration intensity	Pyrite (visual %)
93.28	93.49	0.21	Volcaniclastic sandstone	quartz 5%	strong sericite weak chlorite	
115	115.33	0.33	Volcaniclastic sandstone	quartz 50% carbonate 30%	moderate sericite moderate chlorite	
131.6	132.15	0.55	Volcaniclastic sandstone		moderate sericite weak chlorite	5%
152	152.2	0.2	Quartz Vein	quartz 100%	weak sericite weak chlorite	
161.54	162.47	0.93	Volcaniclastic sandstone	quartz 40%	intense sericite weak chlorite	3%
187.5	188.5	1.0	Bleached quartz-carbonate-sericite zone	quartz 15% carbonate 5%	intense sericite moderate chlorite	1%
195.07	195.6	0.53	Fault/shear zone	carbonate 20% quartz 15%	strong chlorite	5%
231.47	232	0.53	Volcaniclastic sandstone	carbonate 15% quartz 10%	weak sericite	
276.91	277.1	0.19	Volcaniclastic sandstone	carbonate 5% quartz 3%	weak sericite	
332	332.7	0.7	Silica-flooded breccia	quartz 50% carbonate 15%	moderate sericite moderate chlorite	1%
337.6	337.8	0.2	Volcaniclastic sandstone	carbonate 60% quartz 10%	moderate sericite weak chlorite	1%

Table 1. *Selective intervals for core cutting, sampling and gold analysis.*

At the Kanowna Belle Gold Mine, a north-east structural control to gold mineralization occurs (e.g. the local Fitzroy Fault) with an associated sericite-carbonate-pyrite alteration style in felsic volcanoclastic and breccia host rocks.

As similar alteration and lithologies are observed in MVPDH001, the Kanowna Belle Gold Model (KBGM) will be used as a guide for future gold exploration planning and geological interpretations at the Mt Vettors Project.

### **Future Work**

Proto is planning a second hole in an attempt to intersect the interpreted BSKC trend. The planned hole will consist of a RC drill hole (MVPRC006), drilled to at least 350 m depth targeting the SQUID item MTVC4 anomaly trend which coincides with a gravity low response, both of which being interpreted from previous geophysical surveys done for Proto (see Figure 4).

An analogy to the geophysical methods used in the past to locate nickel-sulphide ore bodies at the Black Swan Mine is being used for this hole (i.e. gravity low responses over serpentinite alteration zones and electromagnetic responses over nickel sulphide mineralisation). A down-hole electromagnetic survey will also be conducted at the completion of this hole, to detect for potential off-hole sulphide mineralisation.

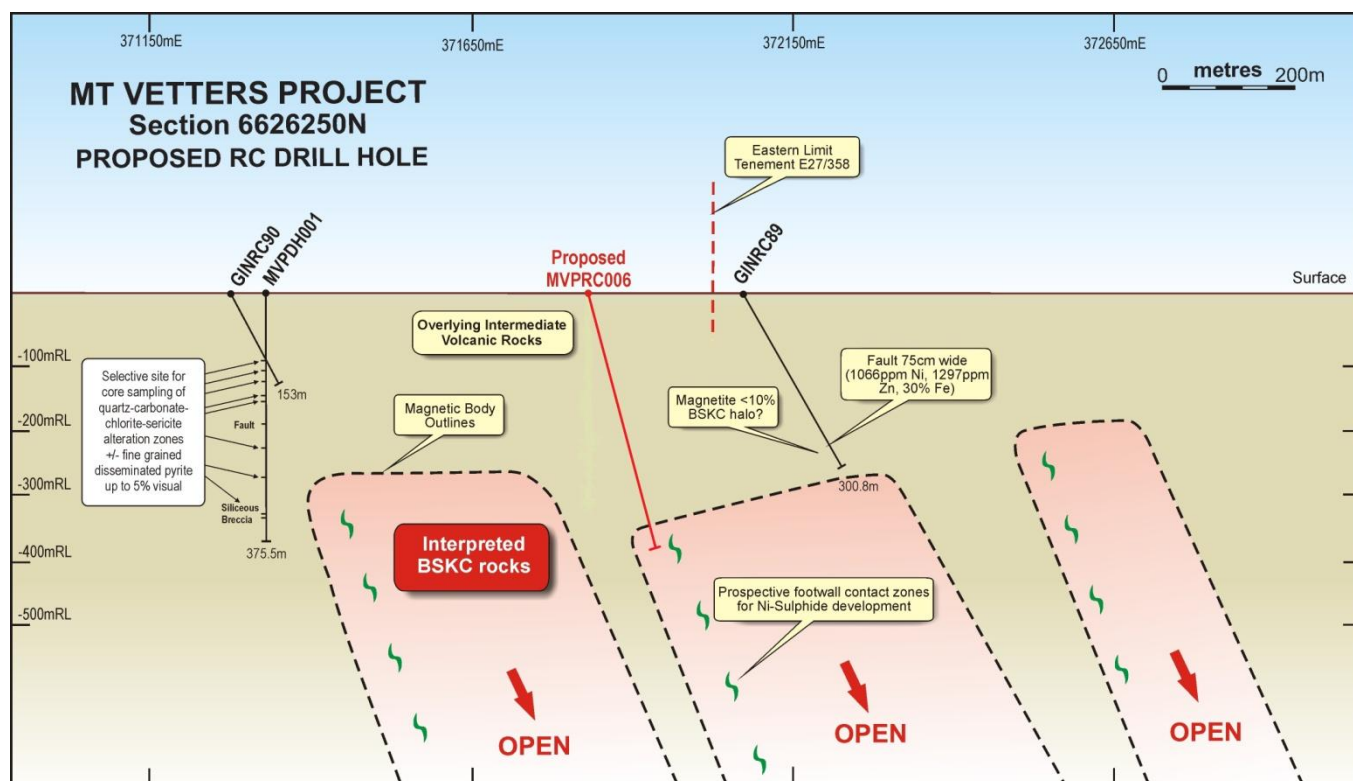


Figure 3. Reference geological cross section interpretation displaying the location of recent DC hole MVDH001, and the proposed RC drill hole MVPRC006 to test a co-incident Electromagnetic and Gravity-Low bedrock target.



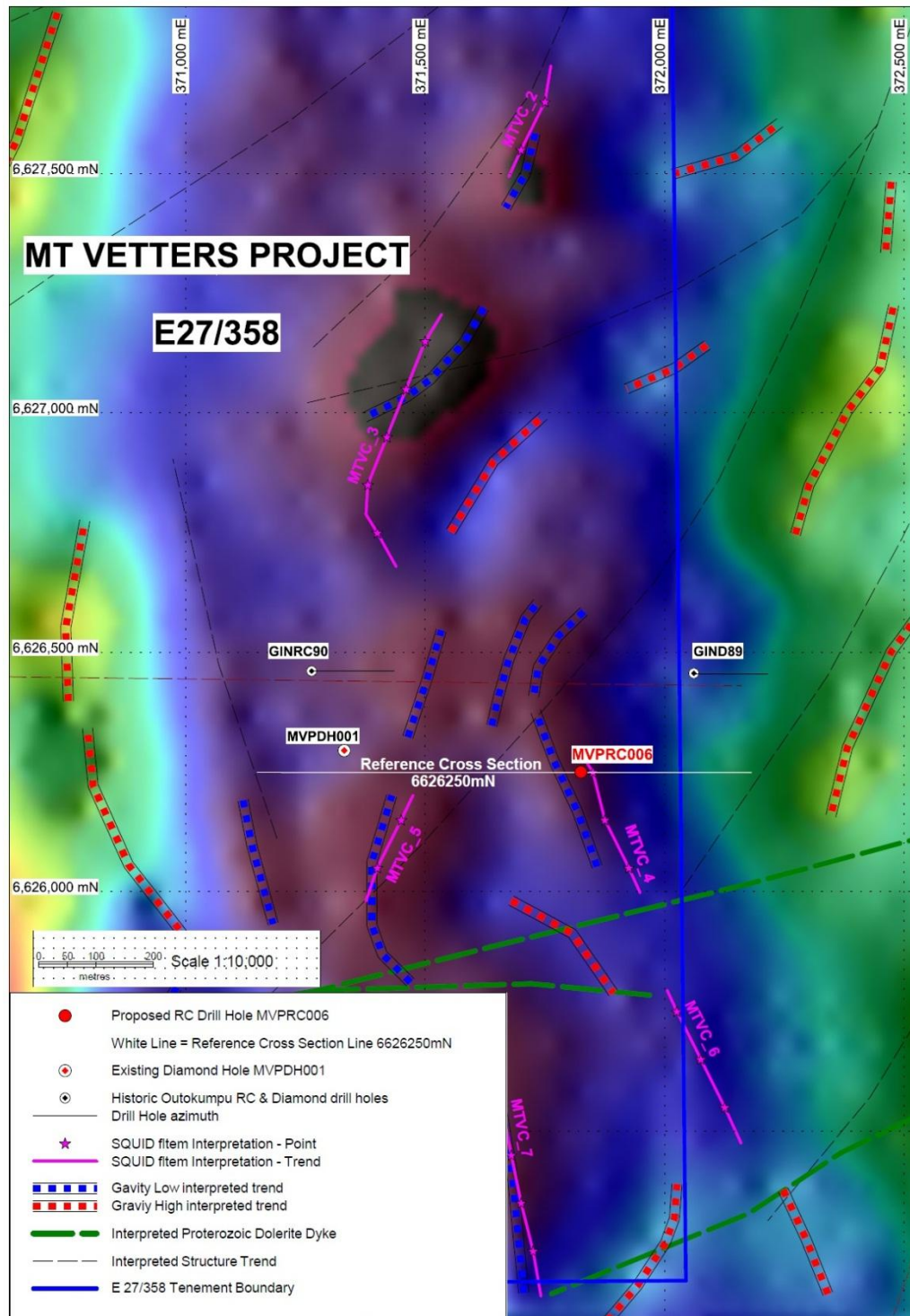


Figure 4. *Geophysical interpretations over background Gravity survey image displaying locations of MVDH001, proposed MVPRC006, coincident SQUID anomaly (MTVC\_4) and Gravity Lows, interpreted N-E fault structures.*



Shareholders and interested parties should direct their enquiries to;

Mr Andrew Mortimer  
Managing Director  
Proto Resources & Investments Ltd  
T: +61 (2) 9225 4000  
M: +61 (0) 433 894 923  
E: [andrew.mortimer@protoresources.com.au](mailto:andrew.mortimer@protoresources.com.au)

Jane Morgan  
Investor Relations Manager  
Proto Resources & Investments Ltd  
T: +61 (2) 9225 4000  
M: +61 (0) 448 009 672  
E: [jane.morgan@protoresources.com.au](mailto:jane.morgan@protoresources.com.au)

And consult the company's updated website [www.protoresources.com.au](http://www.protoresources.com.au)

#### **Competent Persons Statement**

*The information in this release that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Carl Swensson, who is a Member of the Australasian Institute of Mining & Metallurgy. Mr Swensson is a director of Swensson Integrated Resource Management Services 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 Swensson consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.*