

# PROTO



RESOURCES & INVESTMENTS LTD

## STOCK EXCHANGE ANNOUNCEMENT

**May 15, 2007**

### **Proto Resources & Investments Ltd – Talisman Mining Ltd Uranium Joint Venture Plans Listing on ASX 3Q 07**

#### **ASX Release Stock Code: PRW**

The Directors of Proto Resources & Investments Ltd ("Proto") are pleased to announce that they have agreed in principle to joint venture Proto's uranium exploration assets with Talisman Mining Ltd's ("Talisman's") uranium exploration assets in a planned new IPO on the Australian Stock Exchange ("ASX"), scheduled for 3<sup>rd</sup> quarter this year. This uranium joint venture company Protal Metals Group Ltd ("Protal") will allow Proto to keep significant exposure to the uranium sector while allowing the Company to focus its cash resources on its Barnes Hill nickel deposit (12.1 Mt indicated JORC resource at 0.83% nickel and 0.07% cobalt). Proto has commenced a pre-feasibility study on Barnes Hill and is looking to take a bulk sample for metallurgical testing over the coming months.

The new exploration company will include the uranium potential of Proto's Mt Vettiers project in Western Australia as well as the non-base metal potential of our vast Arunta project in the Northern Territory. Mt Vettiers is situated approximately 45 kms north-east of Kalgoorlie, Western Australia, immediately adjacent to the southern margin of LionOre's licenses covering the Silver Swan and Black Swan nickel deposits. The Arunta tenements meanwhile are located 200 km north of Alice Springs, covering a region of approximately 5,357 km<sup>2</sup>. Proto is also actively looking overseas as well as domestically for other uranium prospects to be added into Protal.

It is anticipated that, subsequent to the IPO and listing on the ASX, Proto will have a shareholding of five million shares in Protal equating to approximately 14% of the total listed capital. Talisman will retain an identical holding and both companies will have equal representation on the Board of Directors. It is anticipated that Protal will look to raise approximately four million dollars in its IPO. Protal has been registered as a company and is already receiving proposals from parties wishing to assist with its ASX listing. Transfer of interests by Proto and Talisman to Protal will take place after the appropriate agreements and shareholder resolutions have been passed. Proto and Talisman currently have a letter agreement in place regarding the proposed joint venture.

Talisman's contribution to the joint venture will include the Copper Hills project near the Kintyre uranium deposit in Western Australia and access where agreed to the uranium potential of the Company's other precious and base metal projects. This will include the recently identified potential for calcrete-hosted

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uranium at the Company's Trillbar gold project. As well as this Talisman, like Proto, is assessing other possible uranium acquisitions for adding to the new entity.

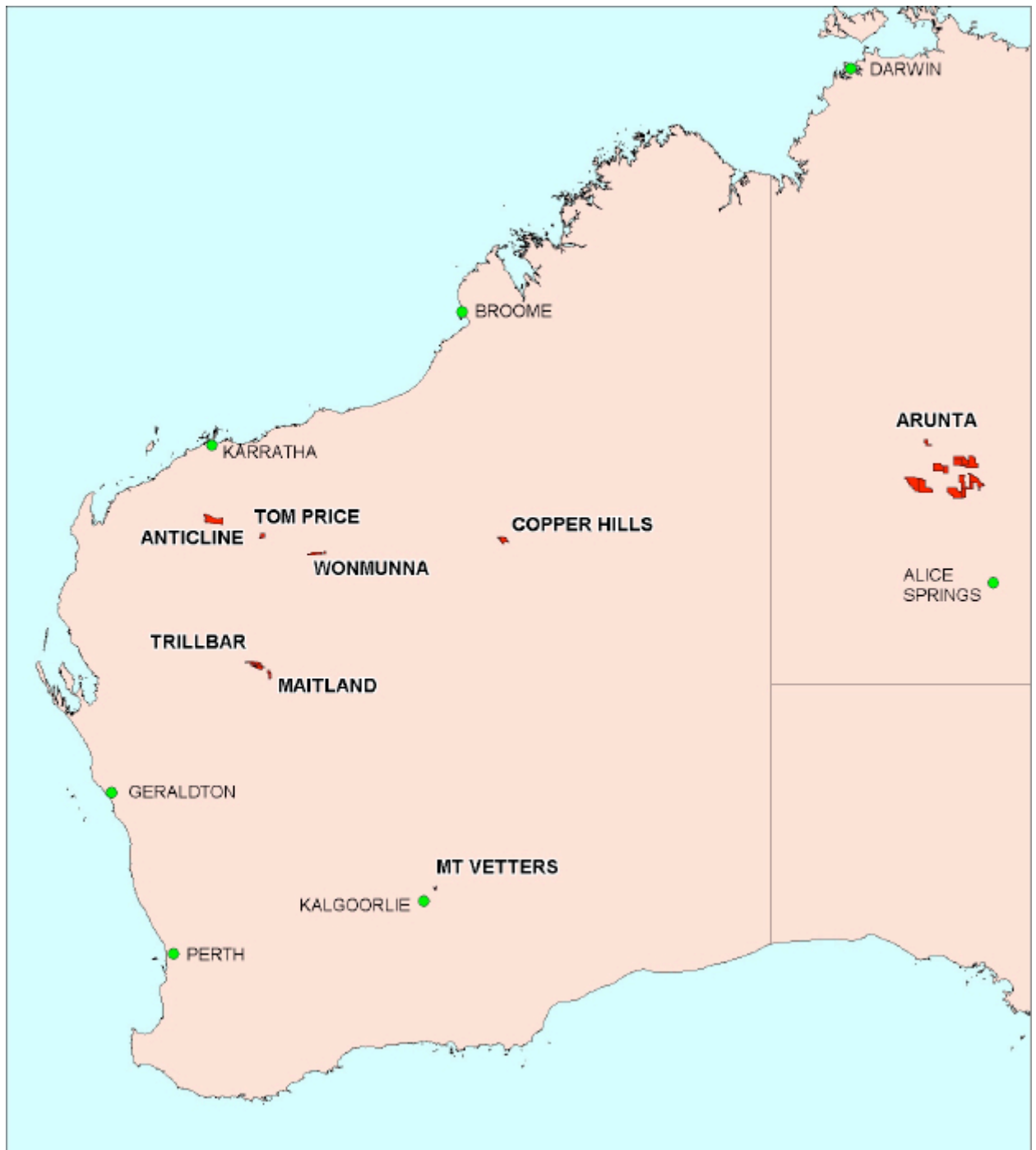
The Directors of Proto are confident that this uranium joint venture will provide significant value to shareholders. We would envisage a priority allocation of shares in the new float to Proto shareholders as well as a possible in species distribution to Proto shareholders of Protal securities. We look forward to providing more details as they become available.

For further information please contact:

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*The information in this report that relates to Exploration Results is based on information compiled by Andrew Johnstone who is a Fellow of the Financial Services Institute of Australasia, members of both the Australian and American Societies of Exploration Geophysicists, and member of the Australasian Institute of Geoscientists (AIG). Mr Johnstone provides exploration management services to Proto Resources & Investments Ltd. Mr Johnstone has extensive qualifications and experience in 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. Johnstone consents to the inclusion in the report of the matters based on information provided by him and in the form and context in which it appears.*

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*Proto and Talisman - Tenements for Uranium Joint Venture*