

27 April 2012

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(5 pages by email)

Dear Madam,

**REPORT ON ACTIVITIES FOR THE QUARTER ENDED
31 MARCH 2012**

HIGHLIGHTS

- **PEL 514 Farm-In arrangements finalised**
- **PEL 514 commencement of 3D seismic survey imminent**

South Australia - Cooper Basin

During the quarter Planet Gas Limited finalised its PEL 514 farm-in arrangements with Senex Energy Ltd, an established Operator in the Cooper Basin. Senex will fund three exploration wells to earn equity in the Licence. The farm-in agreement divides the licence into Northern and Southern Areas.

PEL 514 Northern Area

The Northern Area of PEL 514 adjoins Senex permits PEL 100, PEL 110 and PEL 90. The permit area includes Birkhead time structures capable of hosting Birkhead channel oil plays such as those discovered at Growler and Snatcher oil fields.

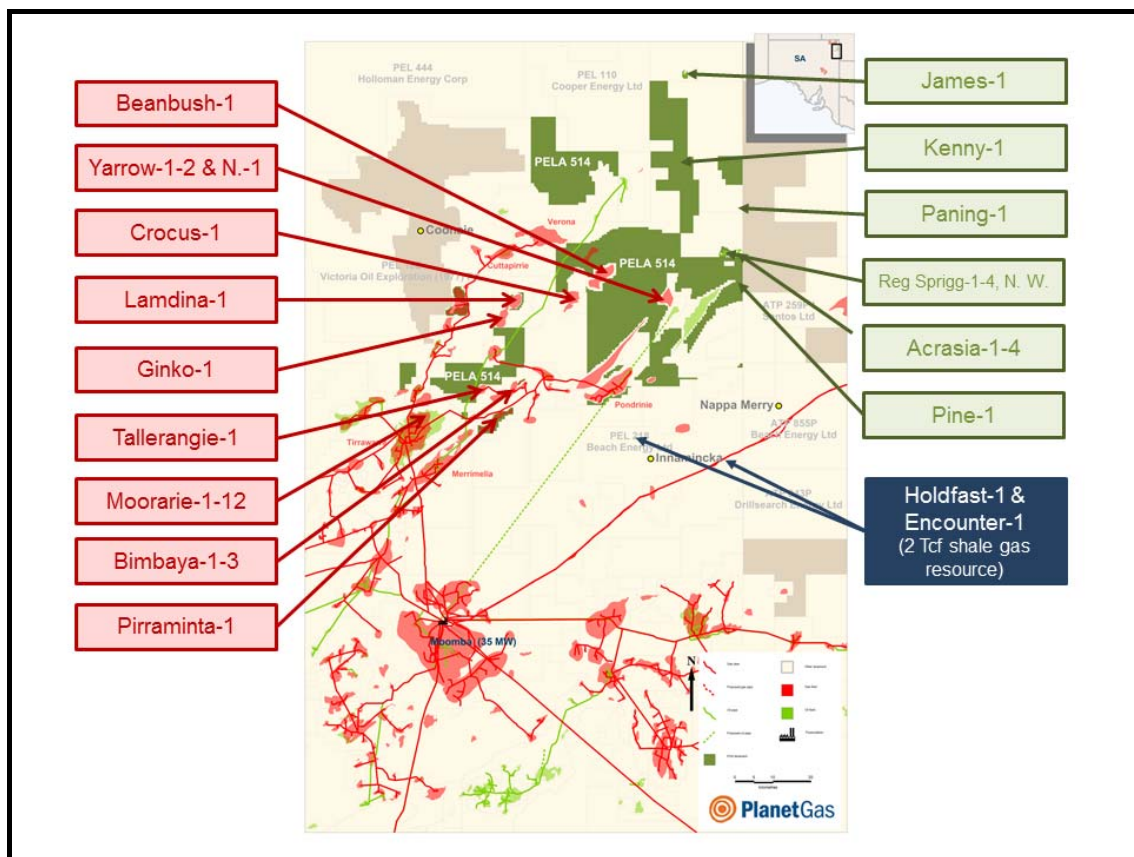
Senex is about to commence a large 3D seismic survey in the area which will include c.165 kilometres over the Northern part of PEL 514

PEL 514 Southern Area

The Southern Area of PEL 514 is highly prospective for unconventional gas, containing measures of coal, tight sands and shales.

Significant thicknesses of coal in the Patchawarra and Toolachee formations have been recorded from wells drilled adjacent to, and within, the PEL 514 permit boundaries. The Murteree shales unit of the REM Shales is also present in this part of the Patchawarra Trough.

Beach Energy's recent well Moonta-1 encountered a thick section of Permian which was apparently gas saturated. Moonta-1 is due South of PEL 514 and this augurs well for the evolving shale gas potential of the area.



Oil and gas discoveries in and around PEL 514

New South Wales - Sydney and Gunnedah Basins

During the quarter, coal bed methane exploration conditions in NSW remained difficult.

Planet welcomes the outcome of the NSW legislative inquiry into CSG which should ensure that there is greater certainty for Planet Gas going forward.

The Company is looking forward to further exploring these highly prospective CSG licences during 2012, in consultation and co-operation with the communities involved, and within considered guidelines from the government.

Sale of Callabonna Shares

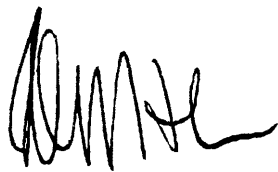
During the quarter, the Company sold its 8,640,000 ordinary shares in Callabonna Uranium Limited for a cash consideration price of \$388,800. In addition, Hueridge Pty Ltd (a wholly owned subsidiary of New Hope Corporation Limited) subscribed for new shares totalling \$220,000 to maintain a 19.9% interest in the Company.

Statement of Competent Person

The information in this report that relates to Exploration Results is based on information compiled by Mr Ian Halstead, geologist, who is a Member of the American Association of Petroleum Geologists. Ian Halstead is a full-time employee of the Company who has sufficient experience which is 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'. Ian Halstead has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.

For further information, please contact Norman Seckold, Peter Nightingale, or Ian Halstead on (61-2) 9300 3322.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter J. Nightingale', with a stylized, cursive script.

Peter J. Nightingale
Director

pjn6662

PLANET GAS PROJECT LIST

AUSTRALIA

State	Tenement	Resource	Project	Status	Granted	Expiry	Company	Area (km ²)
QLD	EPG 29	Geothermal	Innot	Granted	13-Apr-10	30-Apr-15	Gradient Energy Ltd	596 km ²
SA	PEL 514	Petroleum	Cooper Basin	Granted	9-Nov-11	8-Nov-16	Planet Cooper Basin Pty Ltd	1,917 km ²

FARM-IN AGREEMENTS

State	Tenement	Resource	Project	Status	Granted	Expiry	Company	Area (km ²)
NSW	PEL 468	CBM/Gas	Bylong	Farm-in stage 2	NA	NA	Planet Gas & CBM Pty Ltd	1,736 km ²
NSW	PEL 469	CBM/Gas	Shoalhaven	Farm-in stage 2	NA	NA	Planet Gas & CBM Pty Ltd	3,173 km ²
NSW	PEL 470	CBM/Gas	Mooki	Farm-in stage 2	NA	NA	Planet Gas & CBM Pty Ltd	745 km ²



Tenement Location Map