

31 January 2013

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(4 pages by email)

Dear Madam,

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

HIGHLIGHTS

- **Cooper Basin PEL 514 3D seismic survey processing and interpretation commenced**
- **Seismic program in lead up to drill planning and commencement**
- **Other operators substantial increase in unconventional hydrocarbon exploration in the Cooper Basin**
- **Sydney and Gunnedah Basins PELs 468, 469 and 470 re-offered and accepted for renewal**

Cooper Basin, South Australia (PEL 514)

PEL 514 covers an area of 1,917 km² and is located in the Cooper Basin, South Australia.

After the completion of the acquisition of 158.7 km² of 3D seismic data covering the Northern part of PEL 514, processing was commenced during the December quarter. Interpretation will commence in the March quarter. This program forms part of the 'Cordillo' 3D seismic survey undertaken by joint venture partner Senex Energy Limited ('Senex') to identify the next generation of conventional oil and gas targets in its northern Cooper Basin permits, including their interest in PEL 514.

Following the completion of the 3D seismic interpretation, drill planning will commence.

This Northern part of PEL 514 is considered to contain conventional stratigraphic and structural traps within the Birkhead Formation capable of hosting oil plays similar to those at the proven Growler and Snatcher oil fields to the southwest. Discoveries of oil within the neighbouring permits support the potential of the survey area.

Also, across PEL 514, unconventional targets include hydrocarbon rich shales and gassy coals as evidenced by wells drilled within and proximal to the licence.

The 3D seismic expenditure is part of Senex's farm-in to PEL 514 and will include the drilling of three exploration wells, funded by Senex, totalling approximately \$10.5 million. Each well is required to be drilled by November 2013.

During the quarter, Senex announced a proposal for a more expansive 'Dundinna' 3D seismic survey located immediately to the west and southwest of the Cordillo 3D seismic survey area. If agreed by Senex and Planet Gas, part of this survey is planned to cover a proportion of PEL 514 North.

Planet and Senex participating interests after the farm-in has been completed will be 50:50 in the Northern area and 30:70 in the Southern area.

Figure 1 shows the location of PEL 514. In addition, the figure shows recently completed or planned vertical and horizontal unconventional hydrocarbon drilling and associated fracture stimulation programs. Santos Limited, Beach Energy Limited and Senex have each recently announced substantial unconventional hydrocarbon programs.

Sydney and Gunnedah Basins, New South Wales (PELs 468 - 470)

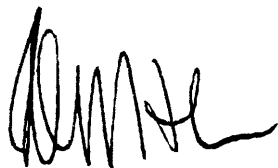
During the September quarter 2012, the New South Wales Government offered for renewal PELs 468, 469 and 470 located in the Sydney and Gunnedah Basins. The licences are held by Leichhardt Resources Pty Limited ('Leichhardt') and Planet Gas holds the rights to earn a 50% interest in each PEL. Leichhardt and the Company accepted each offer for renewal.

However, during the December quarter, the Government recalled all New South Wales licences that were subject to renewal for minor immaterial amendments. The licences have now been re-offered by the Government and accepted by Leichhardt and the Company but completion of the renewals by Government remains pending. No work is able to be carried out on these licences until the Government completes its renewal processes

Under a farm-in agreement with Leichhardt, Planet Gas has the right to earn a 50% equity interest in the three prospective PELs. Planet Gas is the operator of the farm-in which covers 5,579 km² at Bylong (PEL 468) and Shoalhaven (PEL 469) in the Sydney Basin and at Mooki (PEL 470) in the Gunnedah Basin.

For further information, contact Anthony McClure or Peter Nightingale on (61-2) 9300 3322.

Yours sincerely



Peter J. Nightingale
Director

pjn7070

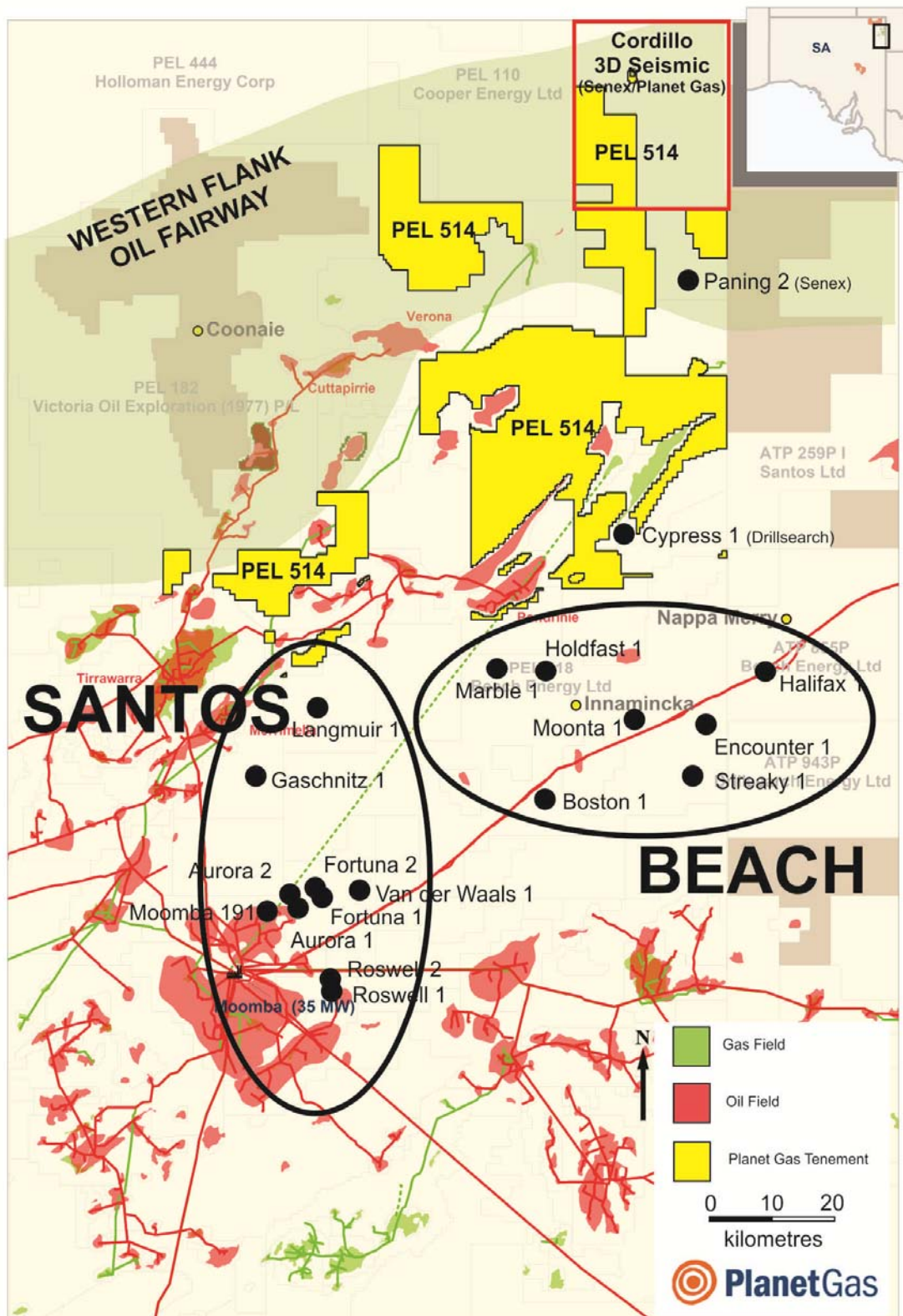


Figure 1. Cooper Basin showing completed and planned unconventional hydrocarbon activity

PLANET GAS PROJECT LIST

AUSTRALIA

State	Tenement	Resource	Project	Status	Granted	Expiry	Company	Area (km2)
SA	PEL 514	Petroleum	Cooper Basin	Granted	9-Nov-11	8-Nov-16	Planet Cooper Basin Pty Ltd	1,917
NSW	PEL 468	CSG	Bylong	Farm-in stage 2	NA	NA	Planet Gas & CBM Pty Ltd	1,736
NSW	PEL 469	CSG	Shoalhaven	Farm-in stage 2	NA	NA	Planet Gas & CBM Pty Ltd	3,173
NSW	PEL 470	CSG	Mooki	Farm-in stage 2	NA	NA	Planet Gas & CBM Pty Ltd	670