



11 November 2011

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(6 pages by email)

Dear Madam,

Planet Gas Share Purchase Plan

The Directors of Planet Gas Limited ('Planet Gas' or 'the Company') advise that the Company offers eligible shareholders the opportunity to subscribe for up to \$15,000 worth of new shares in the Company without brokerage or other transaction costs and at a discount to the prevailing market share price under a Share Purchase Plan ('SPP').

The Company's shares are being offered under the SPP at \$0.026 per share, a discount of approximately 20% to the volume weighted average share price in the five trading days immediately prior to the date of this announcement.

The SPP is available to shareholders with a registered address in either Australia or New Zealand on the record date of 10 November 2011. The offer is non-renounceable and is scheduled to close on 12 December 2011.

The maximum number of shares that can be issued under the SPP is 148,155,992.

Hueridge Pty Ltd, a wholly owned subsidiary of New Hope Corporation Limited, will maintain a 19.9% holding in the Company by subscribing for a placement of new shares in the Company on the same terms and conditions as the SPP.

The funds raised by the SPP together with the Company's existing cash reserves will be used to support the Company's ongoing operational costs, including Planet Gas & CBM Pty Limited exploration in the Sydney and Gunnedah Basins and Planet Cooper Basin Pty Limited for conventional oil and gas, both segments located within areas of existing production and infrastructure.

Full SPP details are set out in the attached offer documentation which will be sent to Eligible Shareholders.

For further information, please contact Peter J. Nightingale, Company Secretary, on (61-2) 9300 3322.

Yours sincerely,

Peter J. Nightingale
Director

pjn6229

Planet Gas Limited ABN 46 098 952 035

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11 November 2011

Dear Shareholder

Planet Gas Share Purchase Plan

the five business days on which sales of Shares occurred preceding 11 November 2011

Planet Gas Limited ('Planet Gas' or 'the Company') is pleased to offer Eligible Shareholders the opportunity to participate in a Share Purchase Plan ('SPP'). The issue price is \$0.026, representing a discount of approximately 20% to the weighted average price of the Company's shares for the five business days preceding 11 November 2011.

Your support of your Company at this time is important to ensure that the Company is properly funded to:

- In Planet Gas & CBM Pty Limited to drill a second exploration corehole in the Eastern part of PEL 468 targeting coal bed methane resources. The additional drilling is required to enable the company to post a confirmed contingent resource early next year. The Company drilled its first corehole in PEL 468 during Q3, 2011.
- In Planet Cooper Basin Pty Limited to complete its farm-in arrangements with Senex Energy Limited. The agreement provides for Senex Energy Limited to fund 100% of the first three exploration wells drilled on PEL 514, and will eventuate in an ongoing joint venture between Senex Energy Limited and Planet Cooper Basin Pty Limited.

The Directors encourage all Eligible Shareholders to support the Company and take advantage of this opportunity to acquire Planet Gas shares without brokerage or other transaction costs and at a discount to the Company's share price.

Introduction

Planet Gas has assembled a portfolio of energy-prospective assets located in existing Australian resource play fairways. These holdings are low to medium geological risk, in close proximity to existing or planned transportation infrastructure, and have easy access to existing growth markets.

To accelerate the exploration of these assets, Planet Gas has aligned itself with two key players in the resources sector, namely New Hope Corporation Limited, which took a strategic 19.9% stake in the Company late in 2009, and Senex Energy Limited, a well established Operator in the Cooper Basin with whom Planet Gas recently reached agreement on a farm-in to its Planet Cooper Basin Pty Limited acreage.

Sydney and Gunnedah Basins - CBM Resources

Planet Gas commenced its farm-in to three Petroleum Exploration Licences in New South Wales in October 2010, and is currently exploring for CBM through the acquisition of seismic and the drilling of three exploration coreholes across PELs 468, 469 and 470. The three licences are in the main CBM play fairway, being proximal to existing CBM discoveries and developments in the Sydney and Gunnedah Basins.

PEL 468 at Bylong is 1,736 km² in area and located on the boundary of the Gunnedah Basin and Sydney (Hunter Coalfield) Basins, 300 kilometres North West of Sydney. Nearby wells have penetrated up to 23 metres of Permian coals at Poggie. The licence is adjacent to PEL 456 which contains Apollo's Cuan-1 Gas discovery which encountered 78.5 metres of coal, and desorption rates of up to 15 m³ per tonne. Although Planet Gas & CBM Pty Limited first well Mead's Crossing-1 encountered 27.3 metres of coal, the presence of igneous intrusives resulted in carbon dioxide contamination at that location. Coal thicknesses and desorption rates auger well for Planet's second corehole, Stony Pinch-1, which is in the Eastern part of the licence, and is due to commence soon.

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PEL 469 at Shoalhaven, south of Wollongong covers 3,173 km² and is located in the Southern Coalfield of the Sydney Basin, 80 kilometres south of Sydney. The licence is adjacent to AGL's Camden CBM project in PEL2. Up to 15 metres of Clyde Measures coals and 25 metres thick Illawarra Measures have been penetrated in proximal wells. Historical mine gas data indicates gas contents of 10 to 16 m³ per tonne. There are two pipelines crossing the PEL, one of which is the regional pipeline linking AGL Gas to Canberra and Victoria.

PEL 470 at Mooki covers some 670 km² and is located close to the Eastern Star Gas CBM project and Wilga Park Power Station at Narrabri. Drilling in the area has previously intersected "gassy" Permian coals at depths of 800 to 1,200 metres and up to 43 metres in thickness, immediately south of the permit, at Edgeroi. The proposed Wullumbilla-Newcastle pipeline crosses the permit

The recent acquisition of Apollo Gas by Dart Energy and Eastern Star Gas by Santos in the Sydney and Gunnedah basins' play fairway reinforces the potential prospectivity of Planet Gas licences in this area.

Cooper Basin - Conventional and Unconventional Resources

PELA 514 lies close to existing oil and gas producing fields and underutilised pipeline infrastructure in the Cooper Basin. Two small hydrocarbon discoveries already exist at South James and Moondie. Eight new oil and gas prospects have been mapped by Planet Gas ranging from 2 to 220 BCF recoverable. The Jurassic Birkhead Channel sands, analogous to those producing at Growler and Snatcher in neighbouring licences, are the company's initial primary exploration focus.

Coal Bed Methane potential also exists within the boundaries of PELA 514 with coal thicknesses of up to 41metres in the Toolachee formation, and 51metres in the Patchawarra formation, having been penetrated in proximal wells. Although the coals are deep, it is understood that nearby fracture stimulated coals approaching 3,000 metres in depth have successfully flowed gas at 100,000 cf/d. Third party pre-drill unrisks GIP estimates for the coals within PELA 514 have been quoted at c. 3.7 TCF

The Murteree member of the REM shales exists in the Patchawarra Trough of PELA 514, and is understood to be hydrocarbon rich. Pre-drill third party unrisks GIP estimates for gas in the shales within PELA 514 have been quoted at 2.2 TCF.

A Joint Venture has been agreed with Senex Energy Limited, through its farm-in to PELA 514. Senex Energy Limited (formerly Vicpet) is a well established Operator in the Cooper Basin, and brings with it operational economies of scale, access to existing infrastructure, suppliers, and customers. Native title arrangements have recently been concluded and licence execution is imminent.

Geothermal Resources at Innot

Planet Gas holds the rights to the Innot Geothermal licence, EPG 29 in Queensland. The licence, unlike most other geothermal licences in Australia, possesses an active hot spring system at the surface. The spring temperatures are 73.7 degrees C, the hottest spring system in Australia. 275 kV power lines pass within 15 kilometres of the block boundary and the licence is some 100 kilometres south west of the city of Cairns.

Purpose of the Capital Raising

The funds raised by the SPP will be used to support the Company's ongoing operational costs, including the CBM exploration in the Sydney and Gunnedah Basins and traditional oil and gas activities in the Cooper Basin.

Eligible Shareholders

The right to participate in the SPP is available to holders of fully paid ordinary shares on the record date of 10 November 2011 and whose registered address is in Australia or New Zealand ('Eligible Shareholders'). Unfortunately, it is not practical for the SPP to be offered to our shareholders with a registered address in other countries.

Under the SPP, Eligible Shareholders are entitled to purchase up to \$15,000 in additional shares at \$0.026 representing a discount of approximately 20% approximately to the weighted average share price for the five business days preceding 11 November 2011 and without having to pay any brokerage or other transaction costs.

How to Participate in the SPP

Participation in the SPP by Eligible Shareholders is entirely optional. If you are in any doubt about your participation in the SPP, then you should contact a professional adviser. The offer is non-renounceable, which means that you cannot transfer your right to purchase securities under the SPP to another person or entity. The maximum amount of \$15,000 will apply even if you receive more than one offer from the Company.

Issue Price of Securities

The issue price of securities under the SPP is \$0.026. This price has been set at a discount of approximately 20% to the weighted average market price of the Company's securities calculated over the five business days preceding 11 November 2011.

The market price of the Company's securities will fluctuate during this offer, but this will not affect the issue price of the securities under the SPP. This means that the market price of the Company's securities at the time the securities are allotted under the SPP may be either higher or lower than the subscription price.

Maximum Raising

The maximum number of securities that the Company will issue under the SPP is 148,155,992 and the maximum amount that would be raised under the SPP is approximately \$3.85 million. If the Company receives acceptances for more than the maximum, it will reduce the number of securities allotted to each holder of securities on a pro-rata basis.

Application Instructions

This offer will close at 5:00 pm (Sydney time) on 12 December 2011. Further details of the SPP are set out in the terms and conditions below. If you wish to participate in the SPP, please read the terms and conditions and return the application form that will be sent to you with payment prior to 12 December 2011.

The Directors encourage you to read these terms and conditions carefully and in their entirety. You should seek your own financial advice in relation to this offer and your participation in the SPP.

For further information, please contact Peter J. Nightingale, Company Secretary, on (61-2) 9300 3322.

Yours sincerely



Norman Seckold
Chairman



[Shareholder Name & Address] [Shareholder Bar Code]

**THIS SAMPLE FORM IS FOR INFORMATION ONLY
VALID APPLICATION FORMS WILL BE MAILED TO ELIGIBLE SHAREHOLDERS**

Record Date: 10 November 2011

**SHARE PURCHASE PLAN APPLICATION FORM
OFFER CLOSES 12 DECEMBER 2011**

This is an offer to eligible registered holders in Planet Gas Limited ('Planet') to subscribe for additional fully paid ordinary shares under the terms and conditions of the Share Purchase Plan ('SPP') as set out on the other side of this application form.

Shares issued under this offer are priced at **\$0.026 per share** and shareholders may subscribe to one of the following three offers by ticking the appropriate box below:

Offer A ☐	Offer B ☐	Offer C ☐
576,923	384,615	192,308
\$15,000	\$10,000	\$5,000

If paying by cheque, record the details of your cheque or money order below with the relevant payment amount.

Drawer	Bank	Branch	\$ Amount

Please note:

- Payments may only be made by BPAY, cheque or bank draft in Australian dollars and drawn on an Australian branch of an Australian financial institution. BPAY details will be provided on the Application Form to be sent to Eligible Shareholders.
- Your cheque should be made payable to 'Planet Gas Limited' and crossed 'Not Negotiable'.
- Cash payments will not be accepted.
- Should the exact amount not be tendered, Planet Gas reserves the right to return your Application Form and money.

Please provide the following details in case we need to contact you in regards to your application.

Contact Name	Telephone Number 1	Telephone Number 2
	()	()

By returning this Application Form and your cheque to our office, you:

- agree to be bound by the terms and conditions of the SPP and the Company's Constitution; and
- certify and confirm that the subscription price for the shares subject of this offer, together with the subscription price of all other shares issued to me as a registered holder (or, where a beneficiary is noted on the register, to that beneficiary) under the SPP does not exceed \$15,000.

Your Application Form and cheque should be returned, **no later than 5.00pm (Sydney time) on 12 December 2011**, addressed to:

Planet Gas Limited
Level 2, 66 Hunter Street
Sydney NSW 2000

You should allow sufficient time for this to occur.

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Planet Gas Limited Security Purchase Plan

Offer Terms and Conditions

Planet Gas Limited ('Planet') is giving Eligible Shareholders the opportunity to subscribe for fully paid ordinary shares ('Shares') in Planet through a Security Purchase Plan ('SPP'). Participation in the SPP is optional and subject to the following terms and conditions.

Who is eligible to apply under this offer?

You are eligible to subscribe for Shares under this SPP if you were a registered holder of fully paid ordinary shares or Shares of Planet at the close of business on the Record Date of 10 November 2011, with a registered address in either Australia or New Zealand ('Eligible Shareholders').

The offer under the SPP is non-renounceable, which means that you cannot transfer your right to purchase securities under the offer to anyone else.

How much can you invest?

Eligible Shareholders may choose to apply for one of the following offers:

	Number of Securities	Payment Amount
Offer A:	576,923 Shares	\$15,000.00
Offer B:	384,615 Shares	\$10,000.00
Offer C:	192,308 Shares	\$5,000.00

No brokerage or other transaction costs are payable by participants in the SPP.

How to pay for the securities

You may pay for securities under the SPP by BPAY, cheque or bank draft in accordance with the instructions on the application form.

If your payment is not for the exact amount for one of the three offers, Planet reserves the right to return your Application Form and funds and not issue any additional Planet securities to you.

Eligible Shareholders, who wish to pay by BPAY, must follow the instructions on the Application Form so that it is received by the Company before 5.00pm (Sydney time) on Monday, 12 December 2011. Your personalised Application Form carries the Biller Code and your unique personalised Customer Reference Number which you must use to take up the offer. If you make your payment with BPAY you do not need to return your Application Form. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

When does the offer close?

The Closing Date is 12 December 2011. Applications received after 5.00pm (Sydney time) on 12 December 2011 will not be accepted.

How was the issue price determined?

The issue price for each security under the SPP is \$0.026, which represents a discount of approximately 20% to the weighted average market price of Planet securities for the five business days on which sales of Shares occurred preceding 11 November 2011, the date the SPP was announced.

The market price of Planet securities may rise or fall. This means that the issue price of \$0.026 under the SPP may exceed the market price at the time of allotment of securities under the SPP. Accordingly, you should consult your stockbroker or professional adviser in relation to this offer and your participation under the SPP. Any change in the market price of Planet securities will not affect the issue price of \$0.026.

Why is your investment limited to \$15,000?

The SPP must comply with the Australian Securities & Investments Commission Class Order [CO 09/425] ('the Class Order'), which limits the participation of each Eligible Shareholder to \$15,000 worth of securities. This limit applies to all Eligible Shareholders even if you receive more than one offer from Planet (for example, because you are a joint holder of securities or because you have more than one holding of securities under separate accounts). Planet reserves the right to reject any application for securities where it believes that an Eligible Shareholder has not complied with this requirement.

Where a trustee or nominee is noted on the Planet securities register as holding securities on behalf of another person (beneficiary), the trustee or nominee may, in respect of each such beneficiary, apply under the SPP for securities with a subscription price of up to \$15,000. For the purposes of this acceptance, the beneficiary is deemed to be the registered holder of the relevant securities.

Allotment of Securities

The securities will be allotted as soon as practicable after the offer closes. Statements will be issued in respect of securities allotted to you under the SPP. You should await confirmation before trading in any securities you have applied for under this offer.

Securities allotted under the SPP will rank equally in all respects with all other fully paid ordinary shares in Planet on the date of issue.

Planet will, promptly after allotment of Shares under the SPP, make application for the Shares to be listed for quotation on the official list of the ASX.

Refunds if the SPP is oversubscribed

If the total number of securities applied for by Eligible Shareholders under the SPP exceeds 148,155,992, then the number of securities allotted to each accepting Eligible Shareholder will be reduced on a pro-rata basis, subject to rounding the adjusted number of securities at the Directors' discretion.

Application moneys to be refunded will be posted to accepting Eligible Shareholders as soon as practical after the Closing Date. Interest will not be paid on money refunded.

Change of offer

The SPP may be modified or terminated by Planet any time. Planet will advise the ASX of any modification or termination.

Without limiting the above, Planet may resolve to allot to any person fewer securities than that person applied for under the SPP if the allotment of those securities would contravene any law or Listing Rule of the ASX.

Dispute resolution

If any dispute arises in connection with the SPP, Planet may settle it in any manner it thinks fit. It can do that generally, or in relation to any particular participant, application or security Planet's decision will be final and binding.

Planet reserves the right to waive strict compliance with any provision of the SPP's terms and conditions. The power of Planet in these circumstances may be exercised by the Directors or any delegate of the Directors in accordance with the Corporations Act 2001 and Planet's Constitution.

How can you make further inquiries?

If you have any questions in respect of the SPP, please contact Peter Nightingale on +61-2 9300 3322.

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