

15 November 2011

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(2 pages by email)

Dear Madam

PEL 514 - Licence Execution

- **PEL 514 granted by PIRSA**
- **PGS fully funded 3 well Cooper Basin JV now set to commence exploration**

Planet Gas Limited (the 'Company') is pleased to advise that Cooper Basin Petroleum Exploration Licence, PEL 514, has been granted by Primary Industries and Resources South Australia ('PIRSA').

The grant of this licence clears the way for the 100% funded, three well farm-in to PEL 514 by Senex Energy Limited ('Senex') (ASX: SXY), which will be in exchange for a 50% interest in the northern part and a 70% interest in the southern part of the licence. Senex will assume Operatorship of the permit (ASX release 19 August 2011).

Native title agreements have recently been concluded with the Native Title Claimants laying claim to areas within the boundaries of PEL 514.

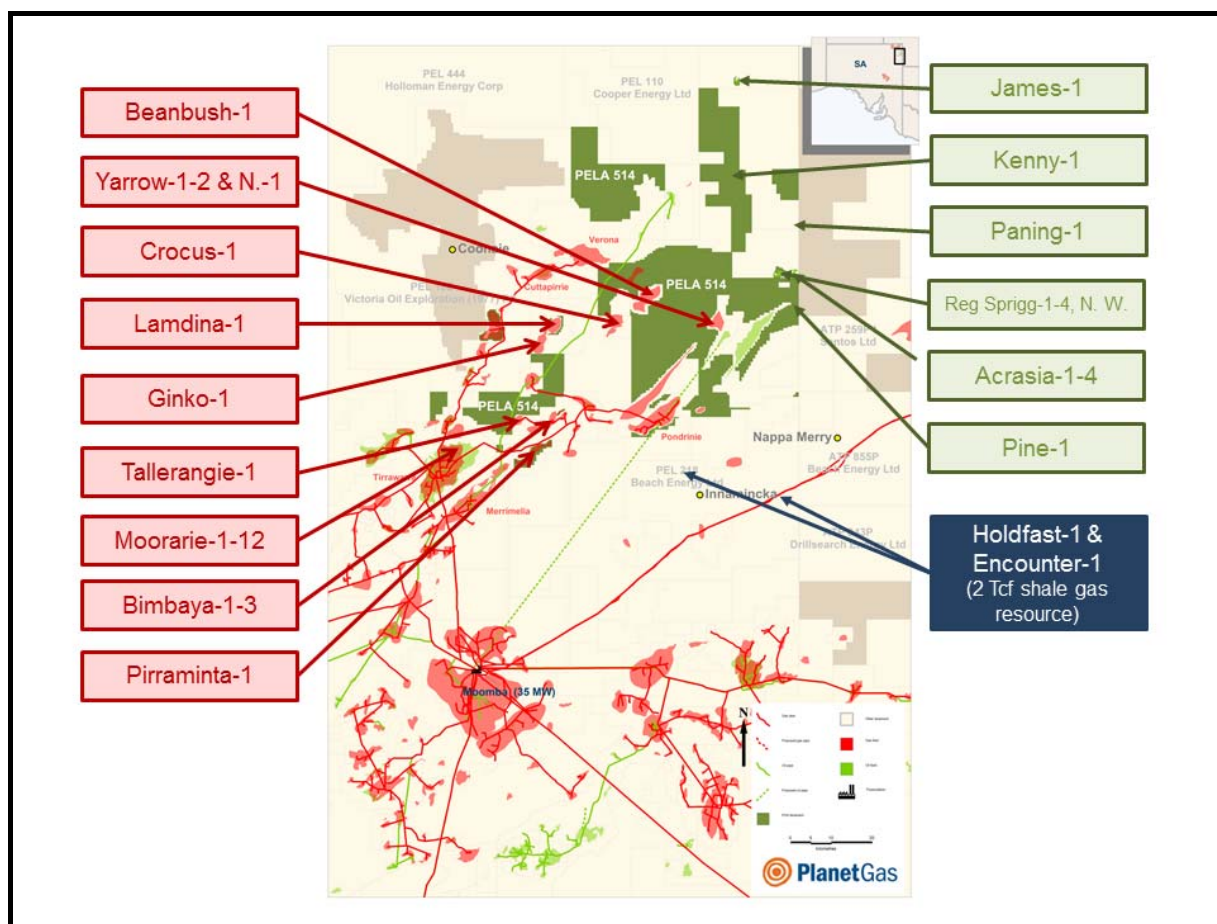
Petroleum Exploration Licence PEL 514

PEL 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 the Company. The Jurassic Birkhead Channel sands, analagous to those producing at Growler and Snatcher in neighbouring licences, will be the initial conventional exploration focus.

Coal bed methane potential also exists within the boundaries of PEL 514 with proximal wells having penetrated coal thicknesses of up to 41 metres in the Toolachee formation and 51 metres in the Patchawarra formation. MBA Petroleum Consultants Pty Limited ('MBA') have estimated pre-drill, unrisked Gas in Place ('GIP') for the coals in PEL 514 of between 11 and 22 trillion cubic feet ('TCF'), assuming gas contents of 4 m³/tonne and 8 m³/tonne respectively.

A new unconventional resource play in the Cooper Basin was heralded recently by a successful test of the Roseneath-Epsilon-Murteree ('REM') shales at the Holdfast-1 well. The Murteree member of the REM shales exists in the Patchawarra Trough of PEL 514, and is understood to be hydrocarbon rich. This shale unit has been mapped across the southern part of PEL 514, and MBA have estimated pre-drill, unrisked GIP in the range 0.19 to 5.99 TCF.

The Company's CEO, Ian Halstead, commented: "We are very pleased to have executed PEL 514 with PIRSA. The PEL is prospective for conventional and unconventional resources and straddles existing discoveries and producing fields, in the Cooper Basin. We look forward to an early commencement of exploration with our new joint venture partner Senex, on this block".



Oil and gas discoveries in and around PELA 514.

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

Peter J. Nightingale
Director

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