

28 May 2012

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(2 pages by email)

Dear Madam

PEL 514 OPERATIONS UPDATE

- **3D seismic survey to commence over the Northern part of PEL 514**

Planet Gas Limited (the 'Company' or 'Planet') is pleased to provide an update concerning exploration at PEL 514. The PEL covers an area of 1,972 km² and is located in the Cooper Basin, South Australia.

Senex Energy Limited ('Senex') will acquire 158.69 km² of 3D seismic data over the Northern part of PEL 514 as part of a much larger seismic survey which also incorporates Senex's adjacent operated blocks.

Senex has awarded a contract to Perth based Terrex Pty Limited to conduct the extensive 3D seismic survey.

This Northern part of PEL 514 is considered to contain Birkhead Formation stratigraphic and structural traps capable of hosting oil plays similar to those at the proven Growler and Snatcher oil fields to the southwest.

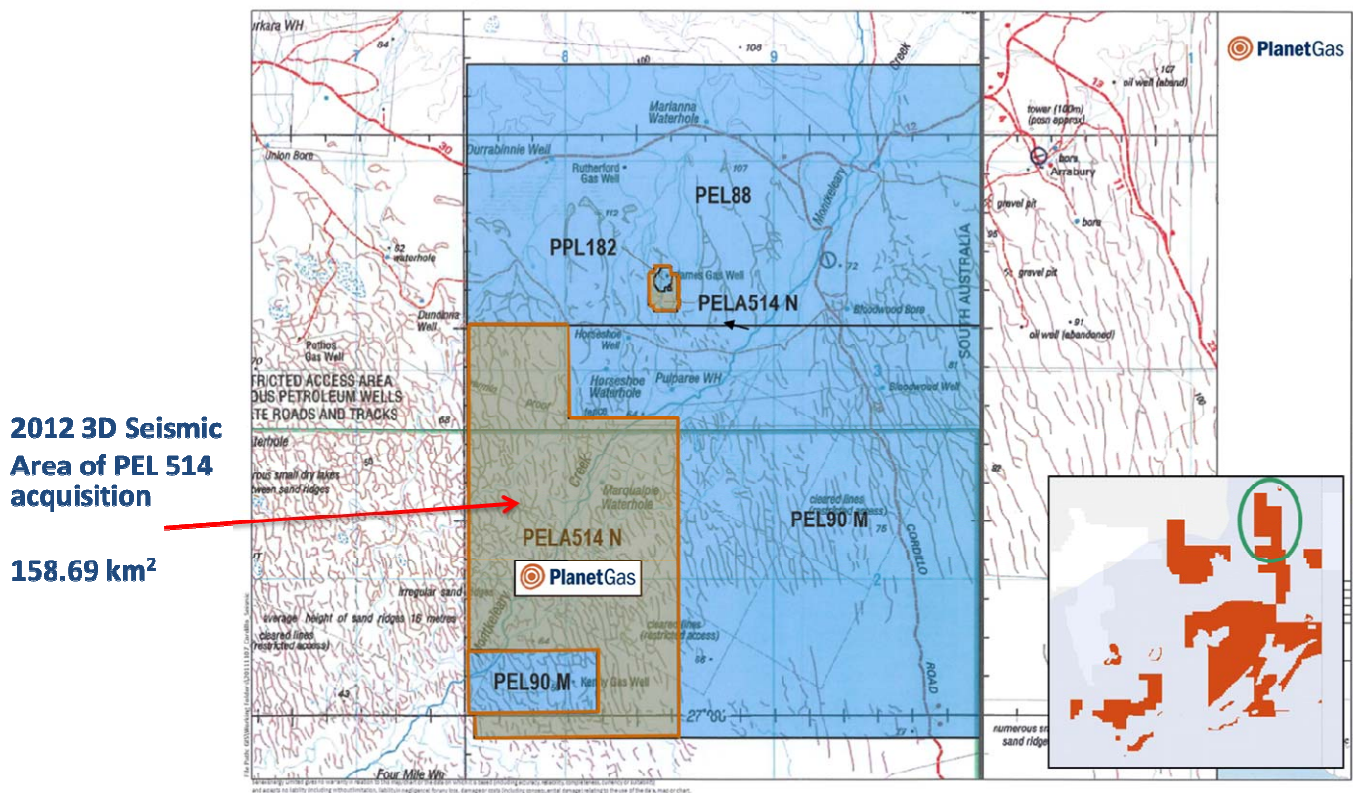
Prior to the survey, the area was subject to Work Area Clearances, performed by local Native Title Claimants from the Yandruwandha Yawarrawarrka people.

The 3D seismic expenditure is part of Senex's farm-in to PEL 514, which totals approximately \$10.5 million. 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.

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Statement of Competent Person

The information in this document, that relates to oil exploration results and reserves, follows guidelines set forth by the Society of Petroleum Engineers - Petroleum Resource Management System (SPE-PRMS) and is based on information compiled by the Company's Chief Executive Officer, Mr Ian Halstead, who is a full time employee of the Company, and a member of the American Association of Petroleum Geologists (AAPG). Mr Halstead, who is a qualified person as defined under ASX Listing Rule 5.11, consents to the inclusion of any reserves and resource statements 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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