15 May 2013

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000 (3 pages by email)

Dear Madam

SENEX ENERGY COMMITS TO FURTHER WORK PROGRAM IN HIGHLY PROSPECTIVE PEL 514, SOUTH AUSTRALIAN COOPER BASIN

The Directors of Planet Gas Limited ('Planet Gas' or 'the Company') are pleased to announce that it has entered into an agreement with Senex Energy Limited (ASX: SXY, 'Senex') for future exploration activities in PEL 514 in the South Australian Cooper Basin ('the Agreement').

As part of the Agreement, Planet Gas will transfer a 10% interest in PEL 514 North and a 30% interest in PEL 514 South to Senex. This Agreement reduces Planet Gas's interest in the entirety of PEL 514 to 20% with Senex holding the remaining 80%.

The consideration for the transfer is:

- $5 million cash payment to Planet Gas; and
- Planet Gas will be free carried for a total of $9.0 million of its share of oil exploration expenditure within PEL 514.

The Agreement also specifies conditional payments of:

- a royalty to Planet Gas which is calculated as 2.0% of the net Well Head Value of all oil produced from PEL 514 capped at $7.5 million; and
- upon certification of 8 million barrels of Proved and Probable (2P) oil reserves in PEL 514, Planet Gas will receive a payment of $5 million, and an addition payment of $5 million upon certification of an additional 4 million barrels of 2P oil reserves in PEL 514.

The transaction is conditional upon standard regulatory and government approvals.

The consideration is in addition to Senex's current farm in obligations in respect of PEL 514 including the completion of the current Cordillo 3D seismic program and completion of two wells by November 2013. This forms part of an Initial Agreement with Senex of December 2011.

PEL 514 covers an area of 1,972 km^2 and is located in the Cooper Basin, South Australia. See Figure 1.

The principal objective of the Agreement is the exploration of conventional stratigraphic and structural traps within the Jurassic sequence, including the Birkhead Formation, which are capable of hosting oil plays similar to those at the proven Growler and Snatcher oil fields to the southwest.

As elsewhere in the Cooper Basin, PEL 514 also contains considerable potential for unconventional gas including hydrocarbon rich shales, tight gas and gassy coals.

Planet Gas's Managing Director, Anthony McClure commented: "This transaction builds on the existing relationship between Senex and Planet Gas and allows Senex to concentrate on the primary objective of exploration and development of the Jurassic oil fields and bringing them into production. With a 20% carried equity interest in PEL 514, the transaction will see Planet Gas maintain a substantial and relevant equity interest at no cost to the Company for the next substantial phase of exploration and development."

Mr McClure added: "What has been important to Planet Gas is to see expanded activities in PEL 514 to the point where production may be commenced with no risk to the Company and importantly no dilution to the Company's share capital base in difficult market conditions. We very much look forward to Senex's success as operator of the joint venture."

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

Yours sincerely

Peter J. Nightingale
Director

pjn7218

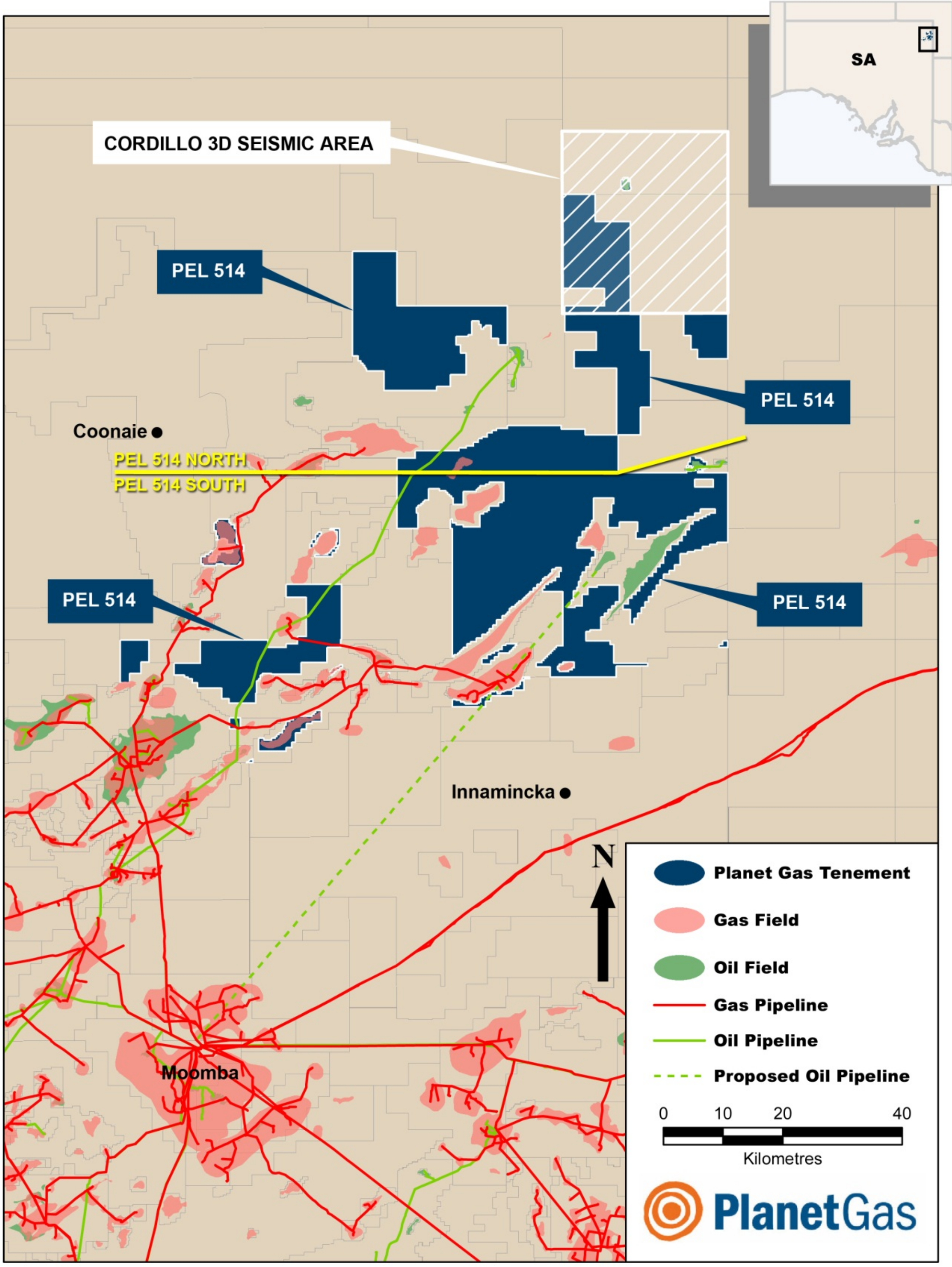

Figure 1: Location of PEL 514