

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

PLANET GAS LIMITED

ABN

46 098 952 035

Quarter ended ("current quarter")

31 MARCH 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	121	121
1.2 Payments for		
(a) exploration and evaluation	(141)	(141)
(b) development	(312)	(312)
(c) production	(186)	(186)
(d) administration	(226)	(226)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(739)	(739)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(7)	(7)
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(7)	(7)
1.13 Total operating and investing cash flows (carried forward)	(746)	(746)

+ See chapter 19 for defined terms.

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(746)	(746)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	625	625
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	(625)	(625)
1.18 Dividends paid	-	-
1.19 Other – costs of issue	-	-
Net financing cash flows	-	-
Net decrease in cash held		
1.20 Cash at beginning of quarter/year to date	1,066	1,066
1.21 Exchange rate adjustments to item 1.20	(1)	(1)
1.22 Cash at end of quarter	319	319

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	142
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Western Gas Resources Inc ('Western Gas') is the operator of 9 wells in Sections 2 and 15 at the Company's Esponda Project in the Powder River Basin. The Company reimburses Western Gas for its 25% working interest in these wells. During the March 2007 quarter, the Company paid \$63,275 (US\$49,211) to Western Gas out of a total expenditure by Western Gas of \$253,100 (US\$196,844).

Western Gas also operates and sole funds 14 wells at the Company's Esponda Project in the Powder River Basin to earn a working interest of approximately 60% of each well. Revenue from the sale of gas produced from these wells will first be used to repay the development and operating costs.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	8,000	2,900
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	1,000
Total	1,200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	319	1,066
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	319	1,066

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			

+ See chapter 19 for defined terms.

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.2 Interests in mining tenements acquired or increased	Federal leases (West Esponda)	7,791 net acres (subject to registration processes)	Nil	100%
	Lerner lease (West Esponda)	80 net acres	Nil	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A			
7.3 +Ordinary securities	185,082,838	185,082,838	Fully Paid	Fully Paid
7.4 Changes during quarter (a) Increases through issues	493,876 920,755 948,121	493,876 920,755 948,121	\$0.253 \$0.272 \$0.264	\$0.253 \$0.272 \$0.264
(b) Decreases through returns of capital, buy-backs	Nil			

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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