



28 April 2014

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(5 pages by email)

Dear Madam,

**REPORT ON ACTIVITIES FOR THE QUARTER ENDED
31 MARCH 2014**

HIGHLIGHTS

- **Landmark gas farm-out agreement between Origin and Senex concerning PEL 514.**
- **Sprigg-1 well commencement of testing over four zones.**
- **Key plays identified from Cordillo 3D seismic survey.**
- **Initial processing for Dundinnia 3D seismic program.**
- **New drill target generation.**

PEL 514 Cooper Basin, South Australia

Agreement

PEL 514 covers an area of 1,972 km² and is located in the Cooper Basin, South Australia.

During the quarter a landmark gas farm-out agreement was agreed between leading energy company Origin Energy Limited ("Origin") and Planet Gas' joint venture partner Senex Energy Limited ("Senex"). Planet Gas holds a 20% interest in PEL 514.

The farm-out agreement comprises 904 km² or approximately 47% of the area of PEL 514 covering part of the Patchawarra Trough. A stratigraphic division separates the "Deeps" and "Shallows" with the Origin agreement relating to the Deeps of the Permian system (see Figure 1).

The Deeps work program is split into Stages 1 and Stage 2 with total expenditure of up to \$80 million (see Table 1). The joint venture parties may also elect to fund additional work programs of up to \$67 million. Stage 1 will evaluate the potential of the tight gas sands, provide exposure to gas in shales and deep coal seams, and provide proof of concept of the Permian system. Stage 2 will evaluate the commerciality of the gas resource by undertaking extended flow testing through separate pilot programs.

Through Stage 1, Origin will earn a 30% interest in the Deeps from Senex and may increase its interests by a further 10% upon the completion of Stage 2. Senex will reduce to a 40% interest after Stage 2 while Planet Gas will maintain its 20% interest.

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Senex will be the operator of the programs with Origin having the right to become operator following the completion of Stage 2.

Transaction Details PEL 514	
Petroleum Licence Area (PEL)	1,917 km ²
Farm-out area to Origin	904 km ² (47% of total area) Deeps only
Stage 1 Work Program	\$40 million
Participating interest earned by Origin	30%
Planet Gas participating interest	20%
Stage 2 Work Program	\$40 million
Participating interest earned by Origin	10%
Planet Gas participating interest	20%
Additional Work Programs (Stage 1 and 2 - equity basis)	\$67 million (subject to operating committee approval)
Total Work Program	\$147 million

Table 1: Transaction Details PEL 514

The existing farm-in arrangements between Planet Gas and Senex with regards to oil exploration will continue in the remainder of PEL 514 covering 1,013 km² ("Remainder area") and also in the Shallows. Planet Gas' 20% interest continues to be free carried by Senex for oil exploration.

Sprigg-1 Exploration Well

The Sprigg field is located in the central eastern sector of PEL 514 (see Figure 1) and is 4.5 kilometres west of Acrasia oil field.

The Sprigg-1 exploration well has been drilled to a total depth of 2,472 metres and subsequent to the end of the quarter, a four zone selective completion was commenced with results pending.

Seismic Surveys

During the quarter, interpretation and mapping of the "Cordillo" 3D seismic data covering 158.7 km² of the northern part of PEL 514 (see Figure 1) was further progressed.

Preliminary processing and interpretation of the "Dundinna" 3D seismic program covering 163.9 km² of PEL 514 (see Figure 1) was commenced during the quarter.

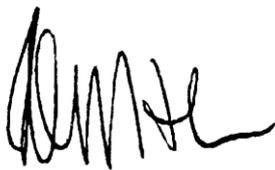
For both the Cordillo and Dundinna 3D seismic programs initial identified leads are expected to reach prospect status during the June quarter.

Also during the quarter, the "Tirrawarra pinch-out play" was identified on the GMI ridge to the south east of the previously drilled Pirraminta-2 well (see Figure1).

The oil exploration programs within PEL 514 including the Cordillo and Dundinna 3D seismic programs, the Sprigg-1 well and other programs form part of the initial farm-in agreement and second agreement with Senex. Planet Gas's 20% interest is free carried for the oil exploration programs.

For further information, please contact Anthony McClure or Peter Nightingale on (61-2) 9300 3322.

Yours sincerely

A handwritten signature in black ink, appearing to read 'PJN', with a long horizontal flourish extending to the right.

Peter J. Nightingale
Director

pjn7708

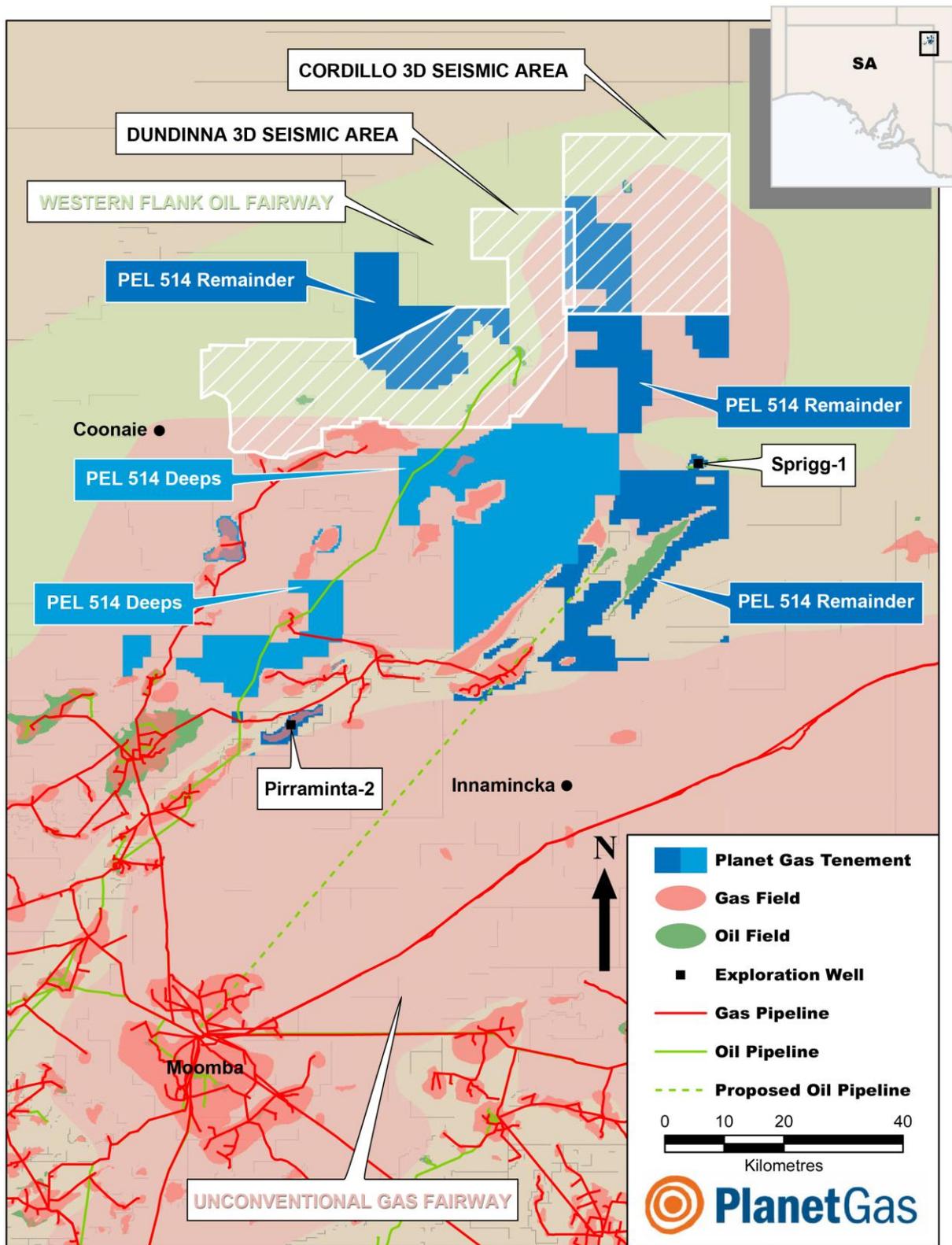


Figure 1. PEL 514 Cooper Basin, South Australia

TENEMENT INFORMATION (AS REQUIRED BY LISTING RULE 5.4.3)

TENEMENT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
PEL 514	Cooper Basin. S.A.	20%	-