



15 October 2018

The Manager Companies
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

(1 page by email)

Dear Madam,

Sale of wholly owned subsidiary Planet Gas USA Inc.

The Directors advise that Planet Gas Limited ('the Company') has entered into a Sale and Purchase Agreement with High Peak Royalties Limited ('High Peak') for the sale of its entire interest (debt and equity) in its wholly owned subsidiary, Planet Gas USA Inc. ('PGS USA').

Consideration for the sale is \$1 and will result in Planet Gas Limited being released from all indebtedness (primarily as guarantor of PGS USA) owed to Macquarie Bank Limited ('Macquarie') pursuant to a loan facility agreement with PGS USA of approximately US\$2.75 million.

The sale is subject to shareholder approval for the purposes of Listing Rule 11.2 (to be sought at a meeting to be convened shortly), due diligence and High Peak and Macquarie finalising certain financing terms.

The Company continues to consider investment opportunities that may add shareholder value. Assuming the sale of PGS USA completes, any acquisition will require re-compliance with Chapters 1 and 2 of the Listing Rules.

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

Yours sincerely,

A handwritten signature in black ink, appearing to read "Peter J. Nightingale".

Peter J. Nightingale
Director

pjn9608

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