

**Cash Reserves Increased to \$6M:
Completed Sale of Overseas Equity Holding**

- **Cash reserves currently \$6.0M, up from \$5.3M since 31 March 2012**
- **Cash backing of over 10 cents per share, compared with current price of 7.2 cents**
- **Gold project field activities re-commence next week**

KEY POINTS

- **Planet Metals has now completed the sale of its entire share investment in Frankfurt-listed Deutsche Rohstoff AG. Total net share sale proceeds exceeded \$3.0M over a period of 8 months.**
- **As at the date of this release, Planet's cash on hand is in excess of \$6.0M. This compares with the Company's current market capitalisation of \$4.3M.**
- **Based on the Company's current fully paid issued capital of 59.7 million shares, Planet's cash backing represents 10.1 cents per share, compared with yesterday's closing share price of 7.2 cents per share. It is also important to note that Planet currently maintains a relatively low cash-burn rate.**
- **In addition, Planet Metals' current portfolio of Queensland gold-copper projects are being progressed. The Company is free-carried in the immediate term at its Mount Cannindah copper-gold project, with its farm-in partner, Drummond Gold, funding all activities. Also, preliminary fieldwork commences next week at the 100% owned Mount Borium gold project, North Qld.**
- **The CEO of Planet Metals, Mr Brett O'Donovan, stated, "Planet has successfully consolidated its position as a financially secure junior resource company and looks forward to advancing its current projects."**

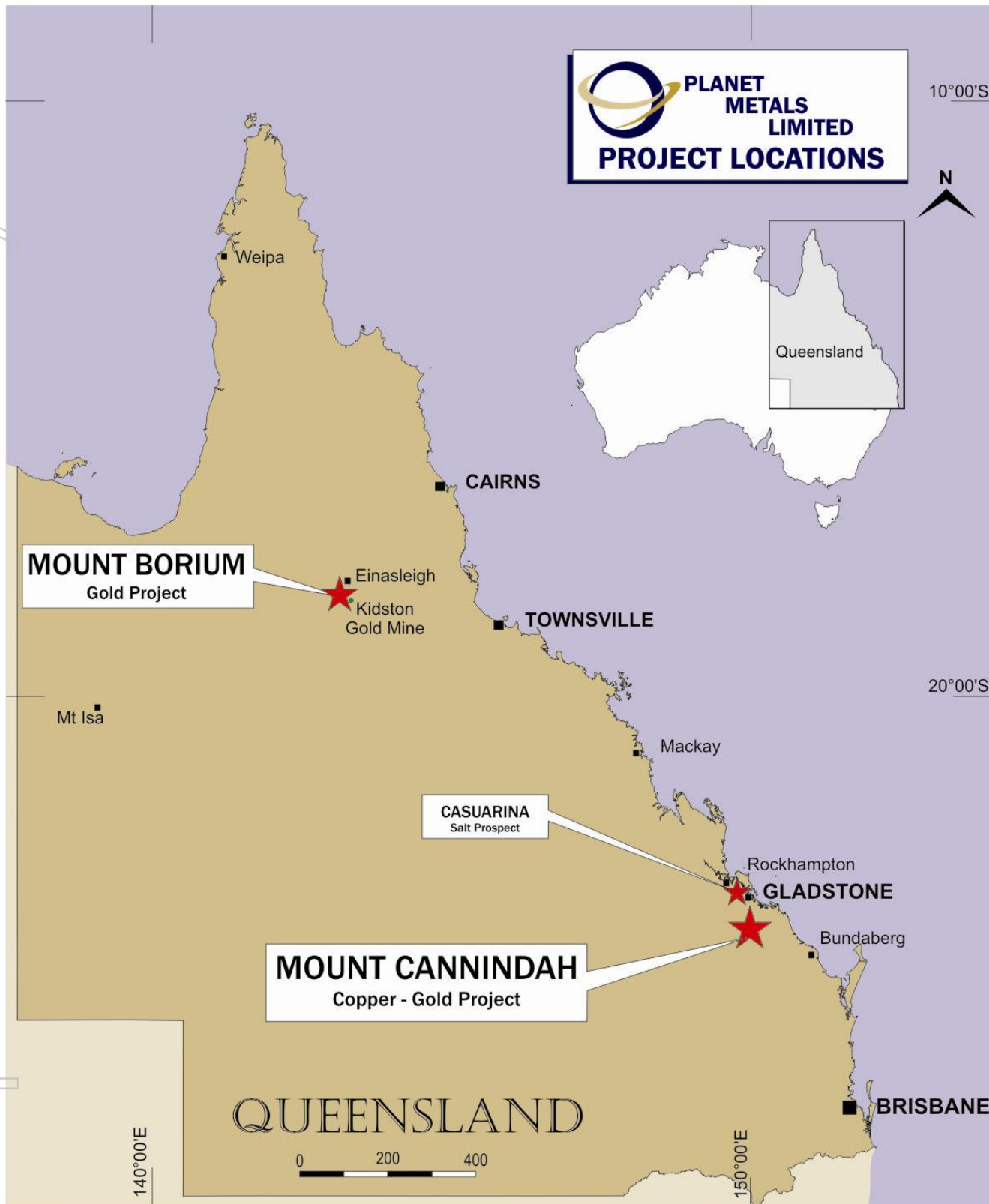
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About Planet Metals Limited

Planet Metals (ASX Code: PMQ) is a Brisbane-based ASX-listed resource and exploration company, with a focus on gold and copper. The Company's key operations are the Mount Cannindah copper-gold project (subject to a farm-in agreement with Drummond Gold) and the Mount Borium gold project (located between Kidston and Einasleigh, Qld). Planet also recently entered into a farm-in agreement over the Casuarina Salt Prospect, near Gladstone, Central Queensland. The Company's major shareholder is Metallica Minerals (ASX Code: MLM) with a 37% shareholding. Planet Metals has 59.7 million shares on issue as well as 6.5 million unlisted options. As at 17 May 2012, the Company had cash at hand of \$6.0 million. Cash backing represents approximately 10 cents per share.

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Project Location Map