Prospectus

Planet Metals Limited ACN 108 146 694 (**Company**) (formerly Queensland Ores Limited)

A non-renounceable rights issue to existing shareholders of 19,905,705 New Shares at an issue price of 10 cents per New Share on the basis of one (1) New Share for every two (2) Shares held to raise up to approximately $1,990,000 before costs of the Offer.

CLOSING DATE**:** 5.00pm Brisbane time on Monday 2 November 2009

THIS IS AN IMPORTANT DOCUMENT. IF YOU DO NOT UNDERSTAND IT, OR ARE IN DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

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A number of terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary.

Money as expressed in this Prospectus is in Australian dollars or else as indicated.

Key Dates for Investors

Record Date for determining entitlements under the Issue:	Monday 12 October 2009
Offer Opens:	Monday 19 October 2009
Offer Expected to Close:	Monday 2 November 2009
Trading of New Shares on the ASX expected to commence on deferred basis:	Tuesday 3 November 2009
Expected Date for Despatch of New Share holding statements:	Tuesday 10 November 2009
Trading of New Shares on the ASX expected to commence on normal basis:	Wednesday 11 November 2009

Offer Statistics

Maximum number of New Shares to be Issued:	19,905,705
Issue Price:	10 cents per New Share

ALL DATES ARE SUBJECT TO CHANGE AND ACCORDINGLY ARE INDICATIVE ONLY. IN PARTICULAR, THE COMPANY HAS THE RIGHT TO VARY THE DATES OF THE OFFER, WITHOUT PRIOR NOTICE. INVESTORS ARE ENCOURAGED TO SUBMIT THEIR ENTITLEMENT AND ACCEPTANCE FORMS AS SOON AS POSSIBLE.

How to accept entitlement to New Shares

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which is attached to this Prospectus in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

This Prospectus is available in electronic form on the Internet at www.planetmetals.com.au. If you wish to obtain a free copy of this Prospectus, please contact the Company on (07) 3891 9611.

Important notice

This Prospectus is dated 1 October 2009 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date. Neither the ASIC nor ASX Limited (**ASX**) take any responsibility for the contents of this Prospectus. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No offer is made by this Prospectus in any jurisdiction outside of Australia and New Zealand. The distribution of this Prospectus within jurisdictions outside Australia and New Zealand may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital or the payment of a return on the New Shares.

Please read this document carefully before you make a decision to invest. An investment in the Company has specific risks which you should consider before making a decision to invest.

1. Chairman's letter

1 October 2009

Dear Shareholder,

On behalf of the Directors I invite you to subscribe for your entitlement to new ordinary fully paid shares (**New Shares** in Planet Metals Limited (**the Issue**).

The Company is making a non-renounceable rights issue of 19,905,705 New Shares at 10 cents per New Share for every two (2) Shares held, to raise approximately $1,990,000.

The major Shareholder of the Company, ASX-listed Metallica Minerals Limited holding about 76% of the Shares in the Company, has entered into an Underwriting Deed with the Company to take up its full entitlement under the Issue and also fully underwrite the Issue. The Board has agreed to offer to those Shareholders holding the remaining 24% of the Shares in the Company (i.e. excluding Metallica) the opportunity to apply for New Shares in addition to their Entitlement. The Directors will allocate any Shortfall in the subscriptions under the Issue to those Shareholders applying for additional New Shares.

The money raised through this Issue will enable the Company to fund a further resource evaluation drilling program, resource estimate, mining studies, other mine site and processing plant evaluation and reviews at the Wolfram Camp tungsten/molybdenum Mine (currently under care and maintenance) in north Queensland, and for additional working capital

The Offer is open from Monday 19 October 2009 and is due to close on Monday 2 November 2009. Please read the Prospectus carefully before deciding whether or not to invest. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional advisor.

On behalf of the Directors, I commend this investment to you.

Yours sincerely,

David Barwick
Chairman

2. Investment summary

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

2.1 The offer

This Prospectus is for the non-renounceable rights issue of up to 19,905,705 New Shares at an issue price of 10 cents per New Share, on the basis of one (1) New Share for every two (2) Shares held by Shareholders as at the Record Date of Monday 12 October 2009 (**Offer**).

The Company intends to apply for listing of the New Shares on the ASX as soon as practicable following their allotment.

2.2 Minimum subscription

There is no minimum subscription to the Issue.

2.3 New share terms

Each New Share will rank equally with all existing Shares then on issue.

2.4 Acceptance of entitlement to New Shares

The number of New Shares to which each Shareholder is entitled is shown on the Entitlement and Acceptance Form accompanying this Prospectus. This Prospectus is for the information of Shareholders who are entitled to, and may wish to apply for, the New Shares. .

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which is attached to this Prospectus in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

2.5 Additional shares

Shareholders on the Record Date may apply for the New Shares to which they are entitled as shown on the Entitlement and Acceptance Form accompanying this Prospectus. Shareholders, other than Metallica, may also apply for any New Shares in addition to their Entitlement. The Offer is fully underwritten by Metallica, in accordance with the Underwriting Agreement, Metallica will subscribe for any Shortfall.

2.6 Purpose of the issue

The Directors intend to apply the proceeds from the Issue for an evaluation drilling program at the Wolfram Camp Project, and for working capital requirements, in the following manner.

Proposed Use of Funds	**$**
Drilling program	$600,000
Working capital	$1,360,000
Issue costs	$30,000
Total	**$1,990,000**

However, in the event that circumstances change or other better opportunities arise the Directors' reserve the right to vary the proposed use of funds to maximise the benefit to Shareholders.

2.7 **Underwriting**

The Issue is fully underwritten by Metallica, which currently holds approximately 76% of the issued capital of the Company. A summary of the Underwriting Agreement is set out in Section 7.1.

3. Details of the offer

3.1 **Offer to shareholders**

The Directors have approved a non-renounceable rights issue of up to 19,905,705 New Shares at 10 cents per New Share to raise up to approximately $1,990,000 (before expenses associated with the Issue are paid). Shareholders of the Company are entitled to subscribe for one New Shares for every two (2) Shares held on the Record Date. Only those Shareholders shown on the share register at 5.00 pm (Brisbane time) on the Record Date will be entitled to participate in the Issue.

3.2 **Important dates**

Shares commence trading on an ex rights basis	Tuesday 6 October 2009
Record Date for the Offer	Monday 12 October 2009
Opening Date of Offer	Monday 19 October 2009
Closing Date of Offer	5pm Brisbane time Monday 2 November 2009
Expected date for commencement of trading of New Shares on ASX on a deferred basis	Tuesday 3 November 2009
Expected date of despatch of New Shares holding statements	Tuesday 10 November 2009
Expected date for commencement of trading of New Shares on ASX on a normal basis	Wednesday 11 November 2009

The dates set out in this table are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time.

3.3 **Additional shares**

The Board has agreed that Shareholders, other than Metallica, may apply for Shares in addition to their Entitlement. The Directors will allocate any Shortfall in the subscriptions under the Issue to shareholders applying for additional Shares.

3.4 How to accept your entitlement

Shareholders may accept their Entitlement either in whole or in part, and may apply (other than Metallica) for additional New Shares.

The number of New Shares to which Shareholders are entitled is shown on the Entitlement and Acceptance Form which accompanies this Prospectus.

If Shareholders take no action in respect of their Entitlement they will have no right to subscribe for the New Shares pursuant to this Offer.

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which is attached to this Prospectus in accordance with the instructions set out on the Entitlement and Acceptance Form and forwarding the completed Form together with your cheque or bank draft for the full amount payable so as to reach the Share Registry by no later than 5.00pm (Brisbane time) on the Closing Date.

The Issue Price of 10 cents per New Share is payable in full on acceptance of part or all of your Entitlement.

Cheques should be in Australian currency and made payable to "Planet Metals Limited - Entitlement Offer" and crossed "not negotiable". No brokerage or handling fees are payable by the Applicant for New Shares offered by this Prospectus. Completed Forms and accompanying cheques should be lodged at or forwarded to the following address:

Planet Metals Limited Entitlement Offer
c/- Registries Limited
GPO Box 3993
SYDNEY NSW 2001

No brokerage or stamp duty is payable by Applicants in respect of their applications for New Shares under this Prospectus. The amount payable on acceptance will not vary during the period of the Offer and no further amount is payable on allotment. Acceptance Monies will be held in trust in a subscription account until allotment of the New Shares. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Acceptance Monies will be retained by the Company irrespective of whether allotment takes place.

3.5 Allotment and allocation policy

The Company will proceed to allocate New Shares as soon as possible after the Closing Date and receiving ASX permission for official quotation of the New Shares.

Successful Applicants will be notified in writing of the number of New Shares allocated to them as soon as possible following the allocation being made.

It is the responsibility of Applicants to confirm the number of New Shares allocated to them prior to trading in New Shares. Applicants who sell New Shares before they receive notice of the number of New Shares allocated to them do so at their own risk. No New Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus.

3.6 ASX listing

Within 7 Business Days after the date of issue of the Prospectus, the Company intends to apply for the listing and quotation of the New Shares on the ASX. If granted, quotation of the New Shares will commence as soon as practicable after allotment of the New Shares to Applicants. It is the responsibility of the Applicants to determine their allocation of New Shares prior to trading.

Should the New Shares not be granted official quotation on the ASX within 3 months after the date of this Prospectus, none of the New Shares offered under this Prospectus will be issued and all acceptance money will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

3.7 Investment risks

Investors should carefully read the section on Risk Factors outlined in Section 5. An investment of this kind involves a number of risks, a number of which are specific to the Company and the industry in which it operates.

3.8 CHESS

The Company will apply to the ASX for the New Shares to participate in the Securities Clearing House Electronic Subregister System known as CHESS. CHESS is operated by the ASX's Securities Clearing House (**SCH**) in accordance with the ASX Listing Rules and the SCH Business Rules. After allotment of the New Shares, those who are issuer sponsored holders will receive an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares allotted to each successful applicant pursuant to this Prospectus. The statement will also advise holders of their holder identification number. Further statements will be provided to holders which reflect any changes in their holding in the Company during a particular month.

3.9 No rights trading

Entitlements to New Shares pursuant to the Issue are non-renounceable and accordingly will not be traded on the ASX.

3.10 Minimum subscription

There is no minimum subscription to the Issue.

3.11 Overseas shareholders

The Company has not made investigations as to the regulatory requirements that may prevail in the countries, outside of Australia and New Zealand, in which the Company's Shareholders reside.

The distribution of this Prospectus in places outside of Australia may be restricted by law and Foreign Shareholders who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with those restrictions may violate applicable securities laws.

Refer to Section 7.6 in relation to the manner in which the Company will deal with the entitlement of Foreign Shareholders to New Shares.

3.12 Electronic prospectus

An electronic version of this Prospectus is available on the Internet at www.planetmetals.com.au.

The Entitlement and Acceptance Form may only be distributed attached to a complete and unaltered copy of the Prospectus. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the investor has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Entitlement and Acceptance Form or electronic copy of the Prospectus has been altered or tampered with in any way.

While the Company believes that it is extremely unlikely that in the Issue period the electronic version of the Prospectus will be tampered with or altered in any way, the Company cannot give any absolute assurance that it will not be the case. Any investor in doubt concerning the validity or integrity of an electronic copy of the Prospectus ought immediately request a paper copy of the Prospectus directly from the Company or a financial adviser.

4. The Company and its operations

4.1 Metallica takeover offer

The Company was previously the subject of a takeover bid by Metallica (**Metallica Bid**). During the Metallica Bid, the Company made a non-renounceable rights issue offer to its shareholders (**First Rights Issue**). Metallica, having completed the Metallica Bid, exercised its full entitlement under the First Rights Issue and on the close of the First Rights Issue, Metallica announced that it holds approximately 76% of the Shares in the Company. Please see section 4.3 for details on the shareholding of Metallica and the other Shareholders on a pre-consolidation and post-consolidation basis.

In addition, section 5.3 sets out the equity and control position of the Shareholders under a number of scenarios after the close of the Offer under this Prospectus – such as where only Metallica takes up its full entitlement, where only the non-Metallica Shareholders take up their full entitlement, where all Shareholders take up their full entitlement or where only Metallica takes up its entitlement and in addition takes up all the Shortfall Shares.

4.2 Change of company name

Planet Metals Limited is a resources company which listed on the ASX in May 2005. The Company's former name was "Queensland Ores Limited", the Company changed its name to "Planet Metals Limited" with the approval of the Shareholders at the general meeting of the Company held on 4 September 2009. The ASIC registered the change of name on 9 September 2009.

4.3 Consolidation of Shares

At the general meeting of the Company held on 4 September 2009, the Shareholders approved the consolidation of all of the Shares by converting every ten (10) Shares into one (1) Share. The consolidation process is now complete and in addition to the change of the Company name, the Shares are now trading on the ASX on a post-consolidation basis.

Set out below are details of the Company's share capital structure as at the date of the general meeting of Shareholders to approve the consolidation of the Shares.

Shareholder	Pre-consolidation Shareholding	% of Total Share Capital	Post-consolidation Shareholding	% of Total Share Capital
Other Shareholders	94,887,913	23.83%	9,488,911	23.83%
Metallica Minerals Limited	303,224,981	76.17%	30,322,499	76.17%
TOTAL	**398,122,894**	**100%**	**39,811,410**	**100%**

4.4 Operations

Over the last two and a half years the Company's primary focus has been bringing its Wolfram Camp tungsten and molybdenum mine situated 90 kms west of Cairns in Northern Queensland into production. The Company has an 85% interest in the property with Tropical Metals Pty Ltd holding the balance of 15%. Following a two year application period the Wolfram Camp Project was granted its Mining Leases in November 2007 and construction work commenced on site immediately. The treatment plant, designed to treat 150,000 tonnes of ore per annum, was constructed in a period of eight months and all of the necessary services for the site including road access, water, electricity, telecommunications, office and amenities buildings and explosive magazines were constructed during that time. Mining operations commenced with the removal of waste overburden and the stockpiling of ore on the run of mine (ROM) stockpile ready for subsequent processing in the plant. Various earthworks construction projects were undertaken including the clean water drainage diversion system, raising of the existing tailings dam wall and the formation of haul roads.

First production of concentrates was achieved in mid 2008 with the first trial cargo of tungsten concentrate being exported to China in October of that year. Unfortunately however a combination of technical difficulties and a shortage of working capital resulted in the suspension of operations at the mine in November 2008. The mine has been on a care and maintenance basis since that time.

At Mount Cannindah, which is about 100 kms south of Gladstone in Central Queensland, the Company holds nine Mining Leases and two exploration permits for minerals (EPMs) over country which has good potential for copper, gold and silver. Exploration work has defined a Measured Resource at the previously mined Mount Cannindah Mine and other Inferred Resources have been located in the surrounding area. Geological evidence points to the possibility of a sizeable deposit at depth and further exploratory drilling is called for.

At Bamford Hill, situated some 30 kms south of the Wolfram Camp Mine, the Company is farming in to a prospective EPM in which previous mining activities for tungsten, molybdenum, tin, lead and silver have taken place. Relatively minor exploration work has been undertaken recently due to the Company focussing its efforts on the Wolfram Camp Mine.

Since the suspension of operations at Wolfram Camp the Company has been looking for ways and means to raise funds so that it can be in a position to investigate the Wolfram Camp Project further.

For further information regarding Planet Metals Limited, please refer to the Company's 2009 Annual Report or the recently filed full year audited Financial Report for the year ended 30 June 2009. These documents can be located on the ASX website at www.asx.com.au using the Company's ASX code 'PMQ' and on the Company website www.planetmetals.com.au.

5. Effect of issue on the Company

5.1 Financial position

To illustrate the effect of the issue on the Company, the proforma consolidated balance sheet has been prepared based on 30 June 2009 balance sheet. The Company's financial report for the year ended 30 June 2009 was lodged with the ASX on 24 September 2009. The balance sheet as provided shows the effect of the Offer as if the Offer under this Prospectus had been made on 30 June 2009. The proforma assumes that the Offer is fully subscribed and that the issue costs of $30,000 are deducted.

The accounting policies adopted in preparation of the proforma consolidated balance sheet are consistent with the policies adopted and as described in the Company's financial statements for the year ended 30 June 2008. The financial statements for the period ended 30 June 2009 were prepared in accordance with the same policies.

	30 June 2009 $	**Share Issue Proceeds** $	**Proforma** 30 June 2009 $
CURRENT ASSETS			
Cash and cash equivalents	1,242,580	1,960,570	3,203,150
Other current assets	-	-	-
TOTAL CURRENT ASSETS	1,242,580	1,960,570	3,203,150
NON-CURRENT ASSETS			
Exploration and evaluation assets carried forward	1,459,722	-	1,459,722
Property, plant and equipment	2,470,581	-	2,470,581
Other non current assets	855,308	-	855,308
TOTAL NON-CURRENT ASSETS	4,785,611	-	4,785,611
TOTAL ASSETS	6,028,191	1,960,570	7,988,761
CURRENT LIABILITIES			
Trade and other payables	244,710	-	244,710
Short term financial liabilities	17,250	-	17,250
TOTAL CURRENT LIABILITIES	261,960	-	261,960
NON-CURRENT LIABILITIES			
Provisions	817,627	-	817,627
TOTAL NON-CURRENT LIABILITIES	817,627	-	817,627
TOTAL LIABILITIES	1,079,587	-	1,079,587
NET ASSETS	4,948,604	1,960,570	6,909,174
EQUITY			
Contributed equity	47,349,255	1,960,570	49,309,825
Reserves	135,972	-	135,972
Retained profits / (losses)	(42,536,623)	-	(42,536,623)
TOTAL EQUITY	4,948,604	1,960,570	6,909,174

5.2 **Capital structure**

At the Company's general meeting held on 4 September 2009, the Shareholders approved by ordinary resolution that all of the Company's Shares on issue be converted into a smaller number on the basis that every ten (10) Shares be converted into one (1) Share (**Consolidation**). The conversion was effective on the date the Shareholders approved the resolution.

Assuming full subscription under the Prospectus and on a post-Consolidation basis, the share capital structure of the Company immediately following the Issue will be as follows:

	Shares
Shares on issue at the date of this Prospectus	39,811,410
Maximum number of New Shares under Prospectus	19,905,705
Total:	**59,717,115**

As at the date of this Prospectus, the Company has no options on issue.

5.3 **Equity Control and position**

As at the date of this Prospectus, Metallica has a holding or relevant interest of approximately 76.17% of the Company.

The extent to which the current Shareholders of the Company, including Metallica elect to accept their entitlement to New Shares under this Offer will have a potential impact upon the equity holding and control of the Company.

The table below outlines the potential maximum effect that several scenarios will have on the equity and control of the Company if only Metallica accepts the offer or if other shareholders accept the offer:

	Holding as at the date of this Prospectus*	**% of Total and Entitlement under Offer**	**If only MLM accepts Offer and takes up entitlement#**	**%**	**If both MLM and others accept Offer#**	**%**	**If only MLM accepts Offer and takes up all Shortfall**	**%**
MLM	30,322,499	76.17	45,484,674	82.74	45,484,674	76.17	50,228,204	84.11
Others	9,488,911	23.83	9,488,911	17.26	14,232,441	23.83	9,488,911	15.89
Total	39,811,410	100.00	54,973,585	100.00	59,717,115	100.00	59,717,115	100.00

* Based upon most recent Form 604 lodged with ASX by MLM before the date of this Prospectus.

\# The level of equity and control acquired by MLM and others under the different scenarios will be reduced to the extent that non-MLM shareholders do not elect to accept their full entitlement to New Shares. Under the Underwriting Agreement MLM has agreed to take up its entitlement under the Offer in full.

6. Risk factors

6.1 Introduction

Activities of the Company, as in any business, are subject to risks which may impact on its future performance. The Company has put in place appropriate actions, systems and safeguards for known risks however; some are outside its control. The principal risk factors are described below.

You should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Prospectus before you decide whether to accept New Shares.

6.2 General mining risks

An investment in the New Shares should be considered speculative due to the nature of the mining industry generally. Exploration from minerals involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There can be no assurance that the Company's intended exploration targets will lead to the development of mining operations.

6.3 Operational risks

The operations of the Company in recommissioning the Wolfram Camp mine may be affected by a range of factors including the failure to confirm projected grades in exploration, mining and processing, technical difficulties encountered in recommissioning and operating plant and equipment, mechanical failure, overcoming any metallurgical problems which affect extraction rates and costs, adverse weather conditions, industrial and environment accidents, industrial disputes, unexpected shortages or increases in the cost of consumables, spare parts, plant and equipment. Accordingly, no guarantee can be given that the use of the funds raised under the Issue will result in the Wolfram Camp mine becoming a commercially viable operation.

No assurance can be given that funds raised under the Issue will be sufficient to adequately assess any issues of an operational and geological nature at the Wolfram Camp mine. Further funds may be required to afford the Board with an accurate and complete assessment of such issues and corresponding costs associated with addressing them.

6.4 Share price fluctuations

The market price of the Company's Shares will be subject to varied and often unpredictable influences in the share market. Both domestic and world economic conditions may affect the performance of the Company. Factors such as the level of industrial production, inflation and interest rates impact all commodity prices including minerals.

6.5 Management actions

The Directors of the Company will, to the best of their knowledge, experience and ability (in conjunction with their management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, but without assuming any personal liability for same, with the aim of eliminating, avoiding and mitigating the impact of risks on the performance of the Company and its securities.

6.6 Government policy

Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia, may have an adverse affect on the assets, operations and ultimately the financial performance of the Company and the market price of its securities.

6.7 Native title

The High Court of Australia has recognised traditional native title rights to the land and the Commonwealth and States have passed legislation relating to native title which provides for native title claims to be made. Native title claims may be a risk in respect of future development and exploration activities of the Company.

6.8 Environmental regulations and risks

National and local environmental laws and regulations affect nearly all of the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted. The Company will minimise the potential impact of these laws and regulations by taking steps to ensure compliance occurs and, where possible, by carrying appropriate insurance.

Significant liability could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of properties acquired by the Company or non-compliance with environmental laws or regulations.

6.9 Financing

In order to continue its activities the Company will be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise capital when it is required or that the terms associated with providing such capital will be satisfactory to the Company.

6.10 Insurance arrangements

The Company intends to maintain insurance within ranges of coverage the Company believes to be consistent with industry practice and having regard to the nature of activities being conducted. No assurance however, can be given that the Company will be able to obtain such insurance coverage at reasonable rates or that any coverage it arranges will be adequate and available to cover any such claims.

6.11 General economic conditions

Any prolonged economic slowdown of the Australian economy as well as fluctuations between the Australian dollar and the currency of countries in which the Company may have operations, may have an adverse impact on financial performance.

7. Additional information

7.1 Underwriting Deed

The Company and Metallica entered into an Underwriting Deed dated 29 September 2009. Pursuant to the Underwriting Deed, Metallica agrees to apply for its full entitlement under the Offer and to underwrite subscriptions for any shortfall New Shares on the Closing Date.

Metallica is not entitled to any fee in consideration of the performance by Metallica of its underwriting obligations.

The Underwriting Deed is not subject to any termination events.

7.2 **Transaction specific prospectus**

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under those obligations, the Company is obliged to comply with all applicable continuous disclosure and reporting requirements in the ASX Listing Rules.

This Prospectus is issued under Section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class of securities which has been quoted by ASX at all times during the 12 months before the date of the Prospectus or options to acquire such securities. Apart from formal matters this Prospectus need only contain information relating to the terms and conditions of the Offer, the effect of the Offer on the Company and the rights and liabilities attaching to the New Shares.

Copies of the documents lodged by the Company with ASIC may be obtained from, or inspected at an office of ASIC.

The Company will provide a copy of any of the following documents, free of charge, to any person who asks for a copy of the document before the Closing Date in relation to this Prospectus:

(a) audited financial statements for the Company for the year ended 30 June 2009;

(b) half-yearly financial statements for the Company for the period ending 31 December 2008;

(c) any other financial statements lodged in relation to the Company with ASIC and any continuous disclosure notices given by the Company to ASX, in the period starting immediately after lodgement of the half-yearly financial statements of the Company and ending on the date of lodgement of this Prospectus with ASIC.

The above documents can also be accessed from the Company's website at www.planetmetals.com.au.

The highest and lowest prices of Shares in the Company on the ASX in the 6 month period before the date of this Prospectus and the respective dates of those sales were 7 cents on 1 April 2009 and 19.5 cents on 24 September 2009. The Share prices set out above are on a post-Consolidation basis.

7.3 **Rights and liabilities attaching to New Shares**

The rights attaching to ownership of the New Shares are set out in the Company's Constitution, a copy of which is available for inspection at the registered office of the Company during business hours. The following is a summary of the principal rights of holders of the New Shares, subject to any special rights attaching to any class of share at a future time. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

Voting

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

Dividends

The New Shares will rank equally with all other issued shares in the capital of the Company and will participate in dividend out of profits earned by the Company from time to time. Subject to the rights of holders of shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors may from time to time pay to Shareholders such interim dividends as in their judgment the position of the Company justifies.

Transfer of the Shares

Uncertificated System

Transfer of Shares may be effected by an instrument of transfer in accordance with any system recognised by the ASX Listing Rules and effected in accordance with the Securities Clearance House Business Rules approved under the Corporations Act or by an instrument of transfer in any usual from or by another form approved by the Directors or recognised by the Corporations Act or the ASX Listing Rules.

Certificated System

Subject to the Constitution and the Corporations Act, a Shareholder's share may be transferred by instrument in writing in any form authorised by the Corporations Act and the ASX Listing Rules or in any other form authorised by the Corporations Act and the ASX Listing Rules or in any other form that the Directors approve. No fee shall be charged by the Company on the transfer of any Shares.

Refusal to Register

The Directors, may, in their absolute discretion, refuse to register any transfer of Share or other securities where permitted to do so by the Corporations Act, the ASX Listing Rules or the SCH Business Rules. The Directors must refuse to register any transfer of Shares or other securities when required to do so by the Corporations Act or the ASX Listing Rules. If the Directors decline to register a transfer, the Company must within 5 business days after the date of lodgement of such transfer give to the lodging party written notice of the refusal and the reasons for it.

Winding up

Upon accepting the Entitlement to New Shares and paying the Acceptance Monies, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.

Future increases in Capital

The allotment and issue of any New Shares is under the control of the Directors. Subject to the Listing Rules, the Company's Constitution and the Corporations Act, the Directors may allot or otherwise dispose of New Shares on such terms and conditions as they see fit.

Variation of Rights

At present, the Company has only ordinary shares on issue. If the shares of another class were issued, the rights and privileges attaching to ordinary shares could only be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary shares by a three quarter majority of such holders or the written consent of the holders of at least three quarters of the ordinary shares.

General Meeting

Each holder of Shares will be entitled to receive notice of and to attend and vote at general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

For more particular details of the rights attaching to ordinary shares in the Company, investors should refer to the Constitution of the Company.

7.4 Directors' interests

The nature and extent of the interest (if any) that any of the Directors of the Company holds, or held at any time during the last 2 years in:

(a) The formation or promotion of the Company;

(b) Property acquired or to be acquired by the company in connection with:

(1) its formation or promotion; or

(2) the Offer;

is set out below.

(a) Other than as set out below or elsewhere in this Prospectus, no one has paid or agreed to pay any amount, and no one has given or agreed to give any benefit to any director or proposed director:

(1) to induce them to become, or to qualify as, a Director of the Company; or

(2) for services provided by a director in connection with:

(A) the formation or promotion of the Company; or

(B) the Offer.

Director	Number of Shares	Number of Options
David Barwick	Nil[1]	Nil
Andrew Gillies	Nil[1]	Nil
Barry Kelly	Nil[2]	Nil

Notes:

1 David Barwick and Andrew Gillies are the board nominees of Metallica and they joined the Board on 9 June 2009. They have not held and do not hold any securities in the Company

2 Barry Kelly previously held 141,667 Shares which he sold to Metallica under the Metallica takeover bid. He no longer holds any securities in the Company.

7.5 Limitation on foreign ownership

The only limitations under Australian law on the rights of non-Australian residents to hold or vote the shares of an Australian company are set forth in the Foreign Acquisitions and Takeovers Act (**the FATA**). The FATA regulates acquisitions giving rise to ownership of substantial amounts of a company's shares. The FATA prohibits:

(a) any natural person not ordinarily resident in Australia; or

(b) any corporation in which either a natural person not ordinarily resident in Australia or a foreign corporation (as defined in the FATA) holds a substantial interest (defined below); or

(c) two or more such persons or corporations which hold an aggregate substantial interest (defined below), from entering into an agreement to acquire shares if after the acquisition such person or corporation would hold a substantial interest in a corporation, without first applying in the prescribed form for approval thereof by the Australian Treasurer and receiving such approval or receiving no response in the 40 days after such application was made.

A holder will be deemed to hold a substantial interest in a corporation if the holder alone or together with any associates (as defined in the FATA) is in a position to control not less than 15 percent of the voting power in the corporation or holds interests in not less than 15% of the issued shares in that corporation. Two or more holders hold an aggregate substantial interest in a corporation if they, together with any associates (as so defined), are in a position to control not less than 40% of the voting power in that corporation or hold not less than 40 % of the issued shares in that corporation.

The Constitution of the Company contains no limitations on a non-resident's right to hold or vote the Company's Shares.

7.6 Entitlement of Foreign Shareholders

The distribution of this Prospectus in places outside of Australia may be restricted by law.

For the purposes of Sections 611 (item 10) and 615 of the Act the Company is required to appoint a nominee (approved by ASIC) for those Foreign Shareholders of the Company (**Nominee**). Given the total percentage of Shares held by Foreign Shareholders is less than 0.5%, the Company is intending on applying to ASIC for a waiver of that requirement (**ASIC Waiver**).

If the Company does not apply for or does not receive the ASIC Waiver:

(a) the Company will appoint a Nominee;

(b) the Company will transfer to the Nominee the securities that would otherwise be issued to the Foreign Shareholders under this Issue; and

(c) the Nominee must sell the securities received from the Company and distribute to the Foreign Shareholders the proceeds of the sale net of expenses.

7.7 Subsequent events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

(a) the operations of the Company,

(b) the results of those operations; or

(c) the state of affairs of the Company.

7.8 Litigation

The Company is not engaged in any litigation which has or would be likely to have a material adverse effect on either the Company or its business.

7.9 Interests of experts and advisers

This section applies to persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoters of the Company and stockbrokers or arrangers (but not sub-underwriters) to the Offer (collectively Prescribed Persons).

Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last 2 years, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or

(c) the Offer of New Shares under this Prospectus.

Other than that as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with the:

(a) formation or promotion of the Company; or

(b) offer of New Shares under this Prospectus.

HopgoodGanim Lawyers has acted as solicitors to the Offer and has performed work in relation to the Prospectus and in relation to preparing the due diligence and verification program and performing due diligence required on legal matters, however, they do not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately $30,000 (excluding disbursements and GST) to HopgoodGanim Lawyers. Further amounts may be paid to HopgoodGanim Lawyers in accordance with its normal time based charges.

7.10 Expenses of the offer

All expenses connected with the Offer are being borne by the Company. Total expenses of the Offer are estimated to be in the order of $30,000.

7.11 Consents and disclaimers

Written consents to the issue of this Prospectus have been given and at the time of this Prospectus have not been withdrawn by the following parties:

Registries Limited has given and has not withdrawn its consent to be named in this Prospectus as the share registry of the Company in the form and context in which it is named. It has had no involvement in the preparation of any part of this Prospectus other than recording its name as share registrar to the Company. It takes no responsibility for any part of the Prospectus other than the references to its name.

HopgoodGanim Lawyers has given and has not withdrawn its consent to be named in this Prospectus as lawyers to the Offer in the form and context in which it is named. It takes no responsibility for any part of the Prospectus other than references to its name.

7.12 **Directors' statement**

This Prospectus is issued by Planet Metals Limited. Each director has consented to the lodgement of the Prospectus with ASIC.

Signed on the date of this Prospectus on behalf of Planet Metals Limited by

David Barwick
Chairman of the Board of Directors

8. Definitions & glossary

Terms and abbreviations used in this Prospectus have the following meaning:

Acceptance	An acceptance of Entitlements
Acceptance Monies	The Issue Price multiplied by the number of New Shares accepted for
Applicant	A person who submits an Entitlement and Acceptance Form
ASIC	Australian Securities & Investments Commission
ASX	ASX Limited
ASX Approval	The ASX agreeing to quote the New Shares issued under this Prospectus on the official list of the ASX
Board	The board of directors of the Company
Business Day	A day, other than a Saturday or Sunday, on which banks are open for general banking business in Brisbane
Closing Date	The date by which valid acceptances must be received by the Share Registrar being 5pm (Brisbane time) Monday 2 November 2009 or such other date determined by the Board
Company	Planet Metals Limited ACN 108 146 694
Constitution	The Constitution of the Company
Corporations Act	*Corporations Act* 2001 (Cth)
Directors	The directors of the Company from time to time
Eligible Participant	A shareholder of the Company that holds Shares in the Company on the Record Date
Entitlement and Acceptance Form or Form	An entitlement and acceptance form in the form attached to this Prospectus
Entitlement	The entitlement to accept New Shares under this Prospectus on the basis of one (1) New Share for every two (2) Shares held on the Record Date

Foreign Shareholder	A shareholder of the Company whose address, as shown in the register of the Company, is a place outside Australia or its external territories or New Zealand
Hard Copy Prospectus	Paper version of this Prospectus
Inferred Resource	has the meaning provided for that term under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code)
Issue or Offer	The issue of New Shares in accordance with this Prospectus
Issue Price	10 cents for each New Share applied for
Law	The Corporations Act or any relevant and applicable law in Australia
Listing Rules	The official listing rules of the ASX
Measured Resource	has the meaning provided for that term under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code)
Metallica or MLM	Metallica Minerals Limited ACN 076 696 092 (ASX Code: MLM)
New Shares	means the Shares in the Company to be issued pursuant to the Offer under this Prospectus.
Official List	The official list of entities that ASX has admitted and not removed
Official Quotation	Quotation on the Official List
Online Prospectus	The electronic version of this Prospectus which can be viewed at www.planetmetals.com.au.
Opening Date	The date of commencement of the Offer in respect of the New Shares, expected to be Monday 19 October 2009
Prospectus	This prospectus dated 1 October 2009 as modified or varied by any supplementary prospectus made by the Company and lodged with the ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus
Record Date	Monday 12 October 2009
Register	Company register of Planet Metals Limited

Securities	Has the same meaning as in Section 92 of the Corporations Act
Share Registry	Registries Limited
Shares	The ordinary shares on issue in the Company from time to time
Shareholders	The holders of Shares from time to time
Shortfall	Those New Shares for which the Entitlement lapses
Underwriting Deed	The underwriting deed between the Company and Metallica dated 29 September 2009, the terms of which are summarised in section 7.1.

9. Corporate Directory

Directors and Executive
Mr David Barwick– Chairman Mr Andrew Gillies – Non Executive Director Mr Barry L Kelly – Non-Executive Director Mr John Haley – Company Secretary and Chief Financial Officer
Solicitors to the Offer
HopgoodGanim Lawyers Level 8 Waterfront Place 1 Eagle Street Brisbane QLD 4000
Administration and Registered Office
Level 3, 201 Leichhardt Street Spring Hill Qld 4000 Telephone: +61 (07) 3230 2000 Facsimile: +61 (07) 3831 7663 Email: reception@planetmetals.com.au