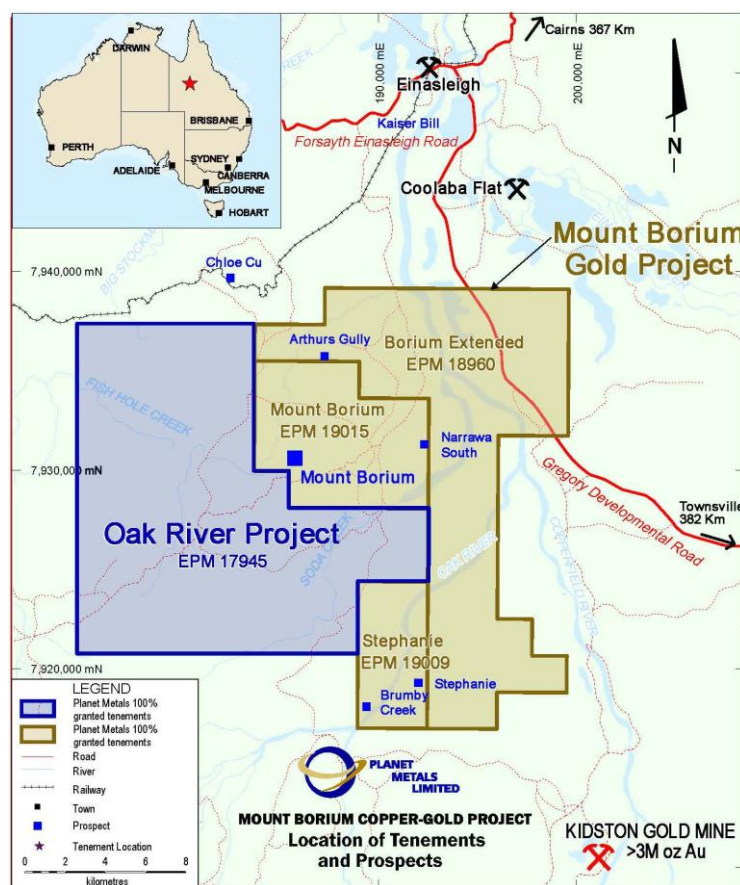


Encouraging Field Exploration Results: Mount Borium Gold Project

Key Points

- Third phase of field exploration underway – the Company has been highly active since the tenement was granted in May 2012.
- Rock chip sampling from the first two field programs (May & June 2012) confirm the project's prospectivity with assays up to 7.9g/t gold. A total of five samples from two separate zones assayed more than 4.9g/t gold – full results enclosed.
- As a result of these positive assays, an initial drill program has been finalised which will target three separate priority target zones. Proposed holes have been designed to test for gold mineralisation both near surface and for more extensive mineralisation at depth. Drilling is expected to commence in September/October 2012.
- These targets are localised within a small area of Planet's Mount Borium Gold Project and are less than 25km from the historical Kidston gold mine which produced over 3 million ounces of gold.



Mount Borium Gold Project Tenement Map

Location

The Mount Borium gold project comprises three separate granted tenements located approximately 20km south-southwest from the town of Einasleigh in North Queensland, Australia. This tenure comprises several promising gold exploration prospects between the historic Einasleigh copper and Kidston gold mines. Past gold production at Kidston exceeded 3 million ounces, with the open pit located 8km from the Mount Borium project tenements' southern boundary.

Background Geology & Interpretation

The aim of this initial fieldwork is to target prospective historic geochemistry and drilling intercepts. Of particular focus is the Mount Borium prospect which has a strong auriferous geochemical signature in the soil. Historical references indicated that gold is commonly disseminated and associated with variable silica-pyrite-sericite (phyllic) or chlorite-epidote (propylitic) alteration. Mineralisation is commonly associated with greater than 1% visible pyrite and trace amounts of sphalerite (Zn) and/or galena (Pb).

Recompilations of historical soil samples collected by Hunter Resources and Kidston Gold Mines in the late 1980s and early 1990s show that there is a significant gold anomaly in the soil which surrounds the core intrusion that is Mount Borium, the landmark. This anomalous zone also has elevated Pb-Zn-As and corresponds with chargeable zones delineated by dipole-dipole geophysics. The main anomalous zone for gold is located near the south-western margin of the core intrusion where most of the historic drilling has been focused.

Historical drill results so far indicate that gold mineralisation is widespread but low-grade. Historic stream sediment samples also have elevated gold assays for streams radiating off Mount Borium in all directions, also indicating widespread mineralisation. The zonation of base metals and the presence of sub-aerial lithologies (flow-banded rhyolite) indicate that Mount Borium may represent the upper-part of an Intrusion Related Gold System, and there exists potential for significant mineralisation at depth.

Recent Rock Chip Sampling

Complete results from all rock chip samples completed during the first two phases of fieldwork have been received with notable assays recorded in the table below. A total of 49 rock chips were assayed with a mix of samples based on either pre-determined geological assessment or scout field sampling. Full results of all samples and locations are within Appendices A and B of this report.

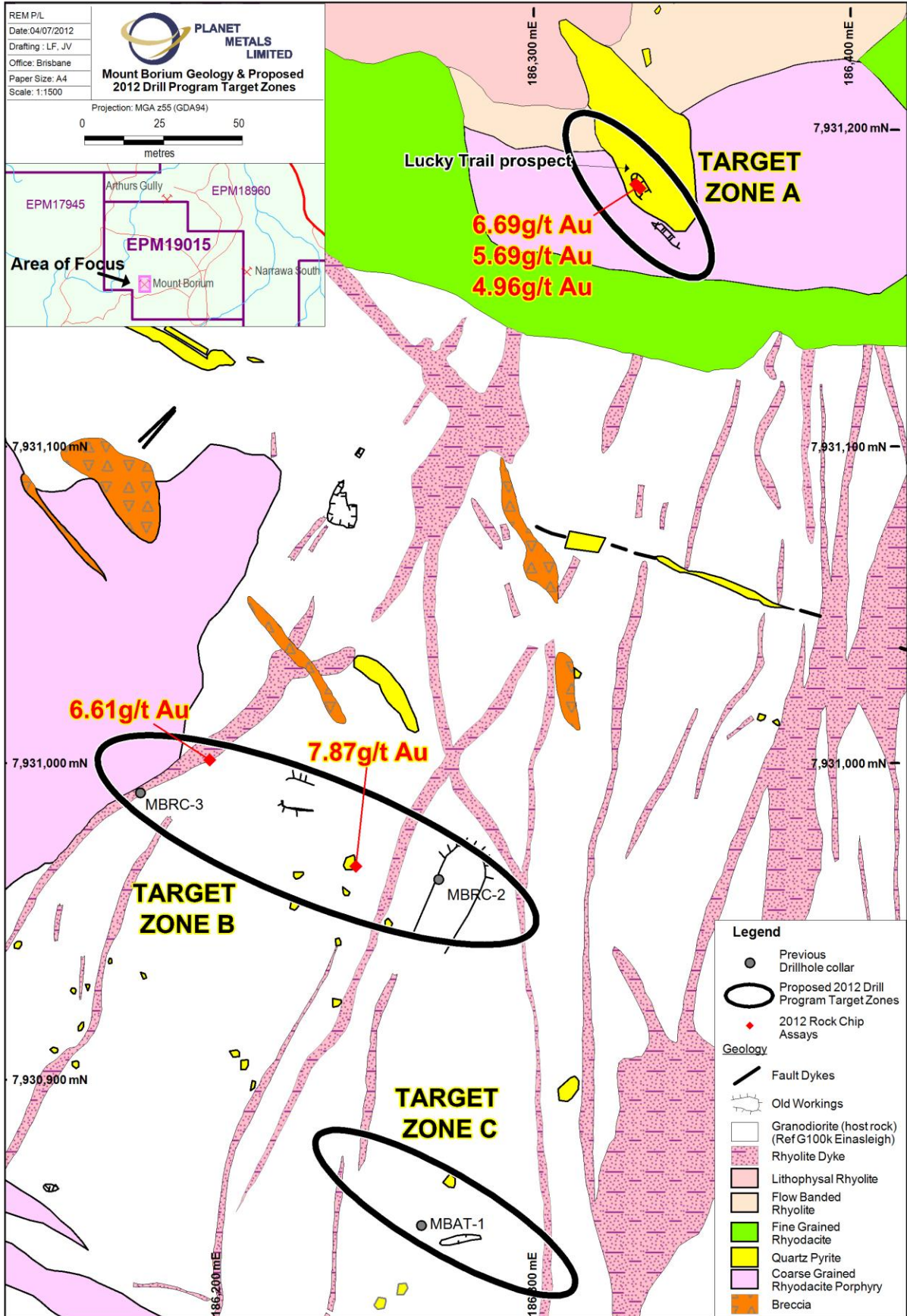
Notable Assays from May/June 2012 Rock Chips

(Note: 1000ppm = 0.1%)

Sample	Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
780507	0.81	4.1	5	21	12
780512	0.10	3.0	133	4020	354
780516	0.02	25.4	506	7030	627
780517	4.96	119	641	695	815
780518	6.69	112	852	976	1100
780519	0.11	7.2	114	348	3670
780521	5.69	56.4	1050	693	611
780547	0.10	29.7	53	2970	390
780549	7.87	0.3	10	16	32
780571	6.21	46.8	38	721	365



Mount Borium landscape



**Mount Borium Prospect Local Geology with Notable Recent Rock Chips
& Proposed 2012 Drill Program Target Zones**

All rock chip samples which returned good gold grades (between 4-8g/t Au) were associated with either quartz-pyrite breccias (rock chip samples 780517, 780518 and 780521) or associated with significant pyrite (rock chip samples 780549 and 780571). It is noted that most significant gold intercepts in historic drill holes were associated with greater than 1% visible pyrite.

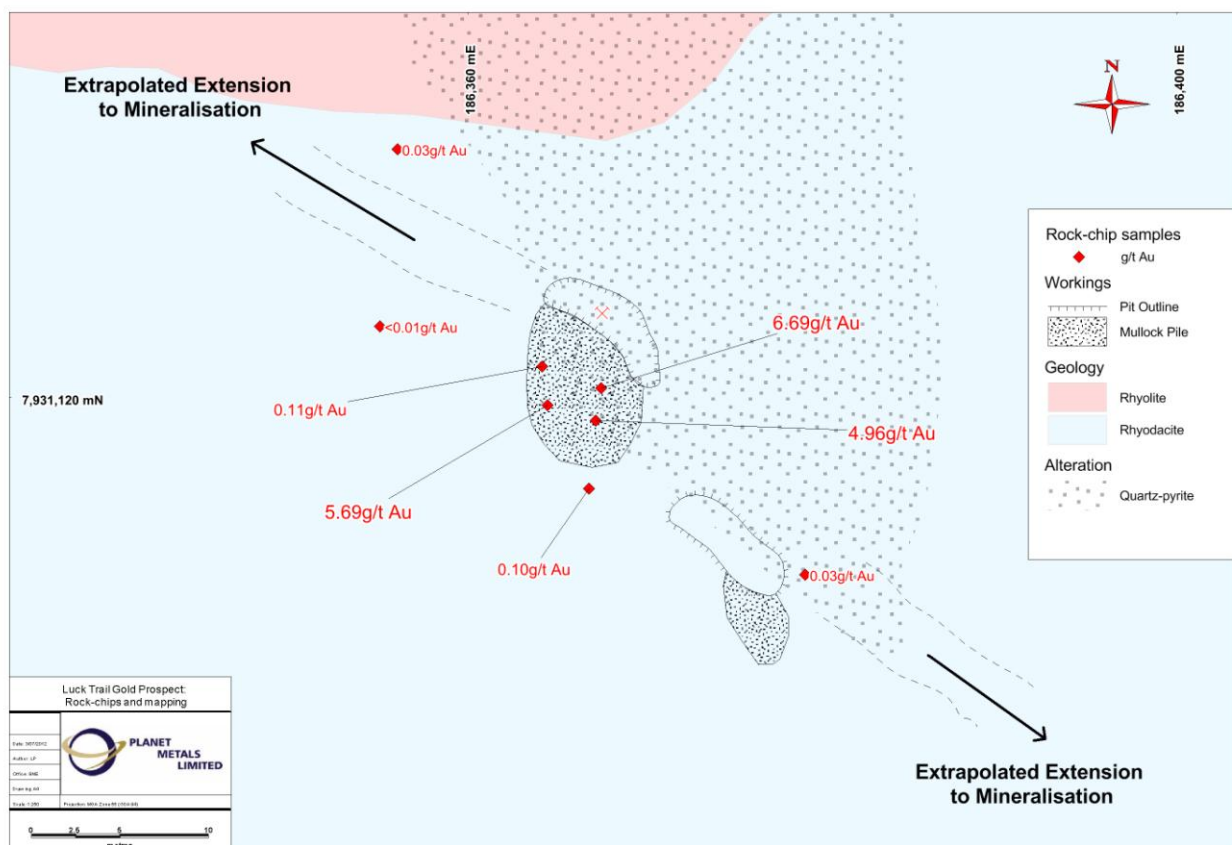
Apart from samples taken from the Lucky Trail pit, rock chip samples have a variable alteration assemblage of silica-pyrite±sericite-epidote and show little notable mineralising structures (veins or faults). This feature, in conjunction with the circular gold-zinc-lead anomaly around the core intrusion, suggests that the majority of the mineralisation may be disseminated-style (veinlet infill and alteration) porphyry related.

Mount Borium Target Zone A

Significant gold mineralisation was identified at the Lucky Trail prospect, with five of eight recent rock chip samples within the vicinity of some old near surface gold workings containing anomalous gold. In particular, three samples (mullock) assayed between 4.96g/t Au and 6.69g/t Au. Gold mineralisation at Lucky Trail is in the form of a massive quartz-pyrite breccia. Trace malachite (oxidized copper) was also observed in the pit wall. The breccia may be continuous or semi-continuous beneath and/or lateral to the workings. Planet Metals cannot find any data or evidence to suggest that this zone has been directly targeted by historical drilling. As a result, this is a priority target zone with future drilling aimed at intersecting the zone near surface, along strike and at depth, where it is possible mineralisation could become more extensive than what has so far been identified at surface.



**Lucky Trail Rock Chip
which assayed 6.69g/t Au**

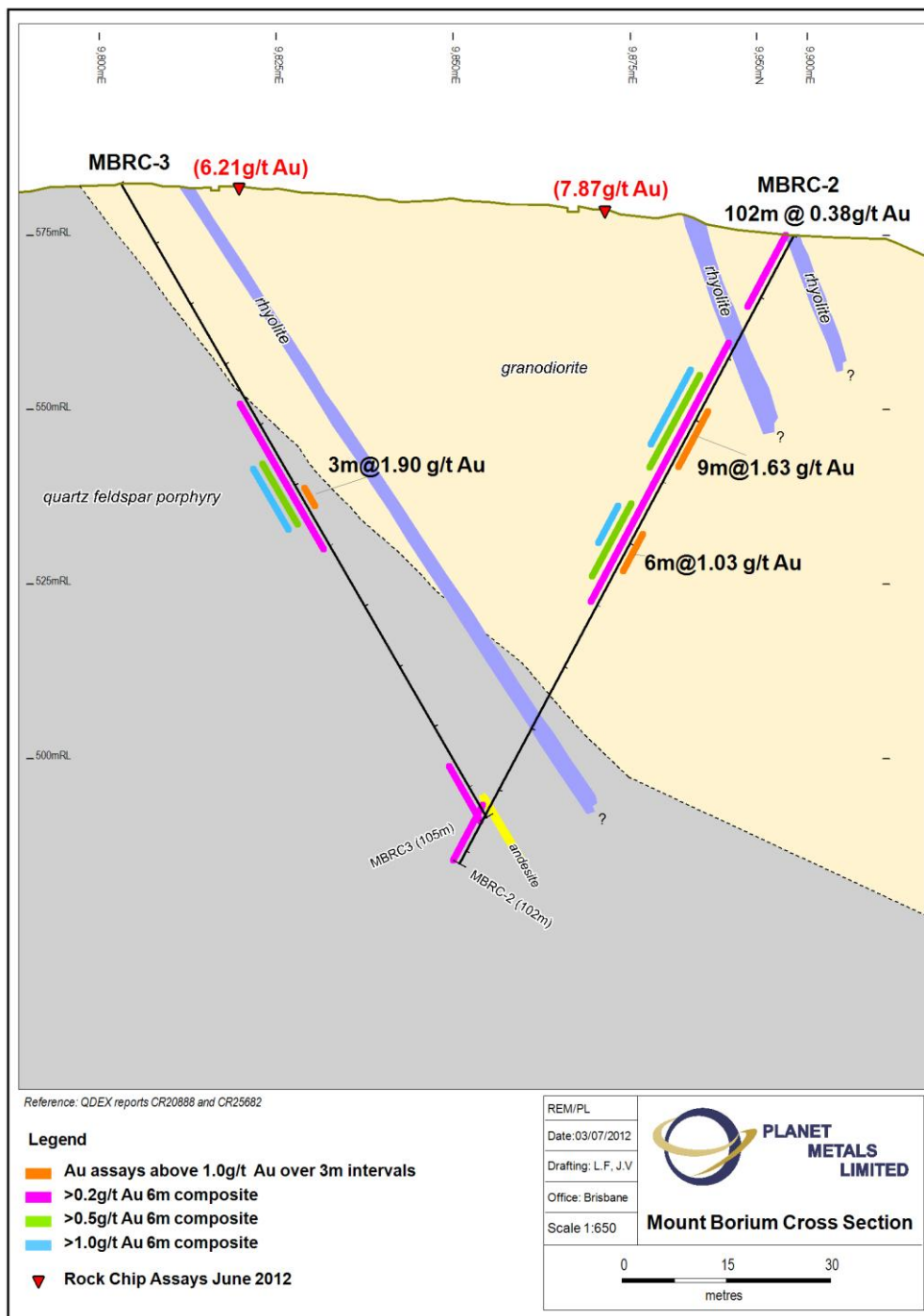


Mount Borium Target Zone B

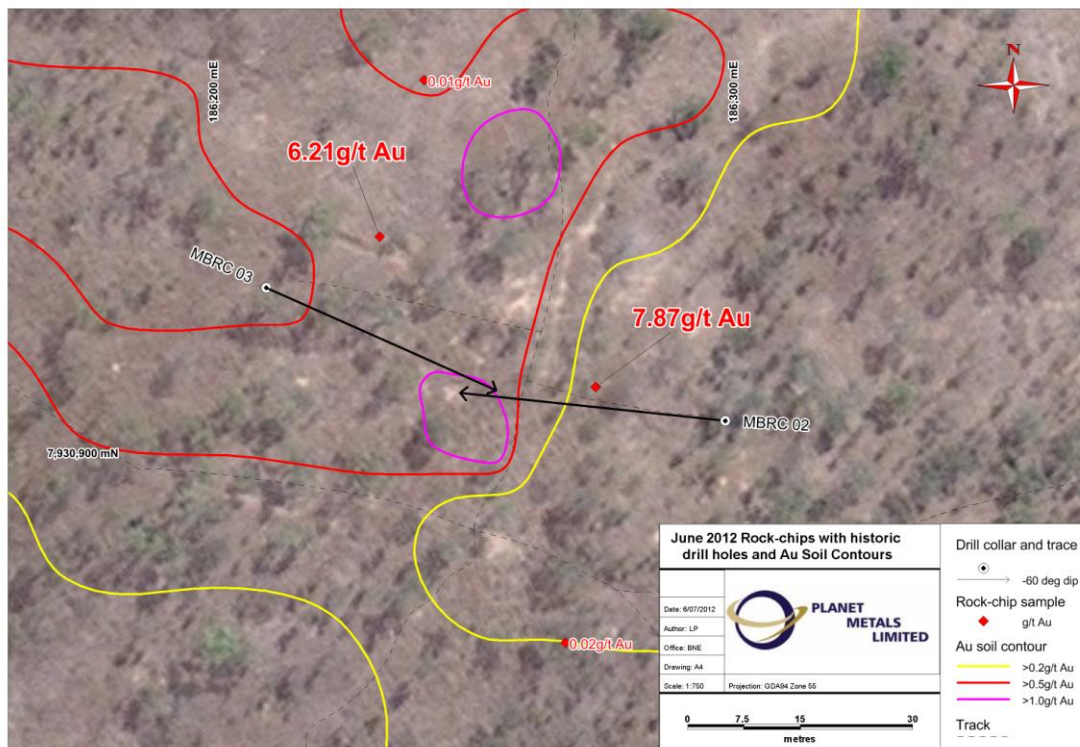
Analysis of historical drill results focused Planet's attention on this particular Target Zone. In 1989, Hunter Resources drilled five holes within the main Mount Borium prospect area. All five holes (Open File Data: Morrison & Camuti, 1989) returned anomalous gold with the best being a pair of scissored holes targeting a strong gold soil anomaly (refer below images).

One of these holes, **MBRC-2 averaged 0.38g/t Au over its entire 102m length with a best intercept of 9m at 1.63g/t Au from 27m. Importantly both holes terminated whilst still in gold mineralisation.** The last 6m of MBRC-2 returned an average 0.39g/t Au - similarly MBRC-3 recorded 0.34g/t Au over its last 6m. Lower grade mineralisation at Mount Borium is commonly not obvious or cryptic and difficult to identify, which may explain why these holes were terminated. Planet aims to test this depth potential in its next drill program.

Recent rock chip samples further highlight the priority of this target zone. As shown in the below images, two of four samples in the immediate vicinity returned gold assays of 6.21g/t Au (sub-crop sample) and 7.87g/t Au (trench mullock).



Cross Section MBRC-2 & MBRC-3 including geology and recent rock chip assays



Target Zone B showing location of historical drill holes and recent rock chip assays

Mount Borium Target Zone C

This zone is of interest as it includes historical hole MBAT-1 which was drilled by Hunter Resources in the late 1980s. Past data highlights an intersection of 4m at 4.2g/t Au from 10m. Directly above this intersection, there are old workings delineated by a trench that bores into the side of the hill. It is presumed that these workings represent the surface expression of this particular intercept. Other nearby shallow holes returned reasonable gold results including 22m at 0.5g/t Au from 4m. Planet's proposed drilling will target the areas highlighted by historical drill assays but will also be of considerably greater depth.

Proposed Drill Program Logistics

Drill collars have been proposed for an initial program of between 1,000m and 1,500m. The location of drill pads and access tracks has been finalised with earthworks likely to commence in the next two months with drilling expected to take place in September/October. Cultural Heritage inspections have been arranged and landowner compensation negotiations commenced.

For further information, please contact:

Brett O'Donovan
Chief Executive Officer
Ph: 61 7 3249 3080

Competent Persons Statement

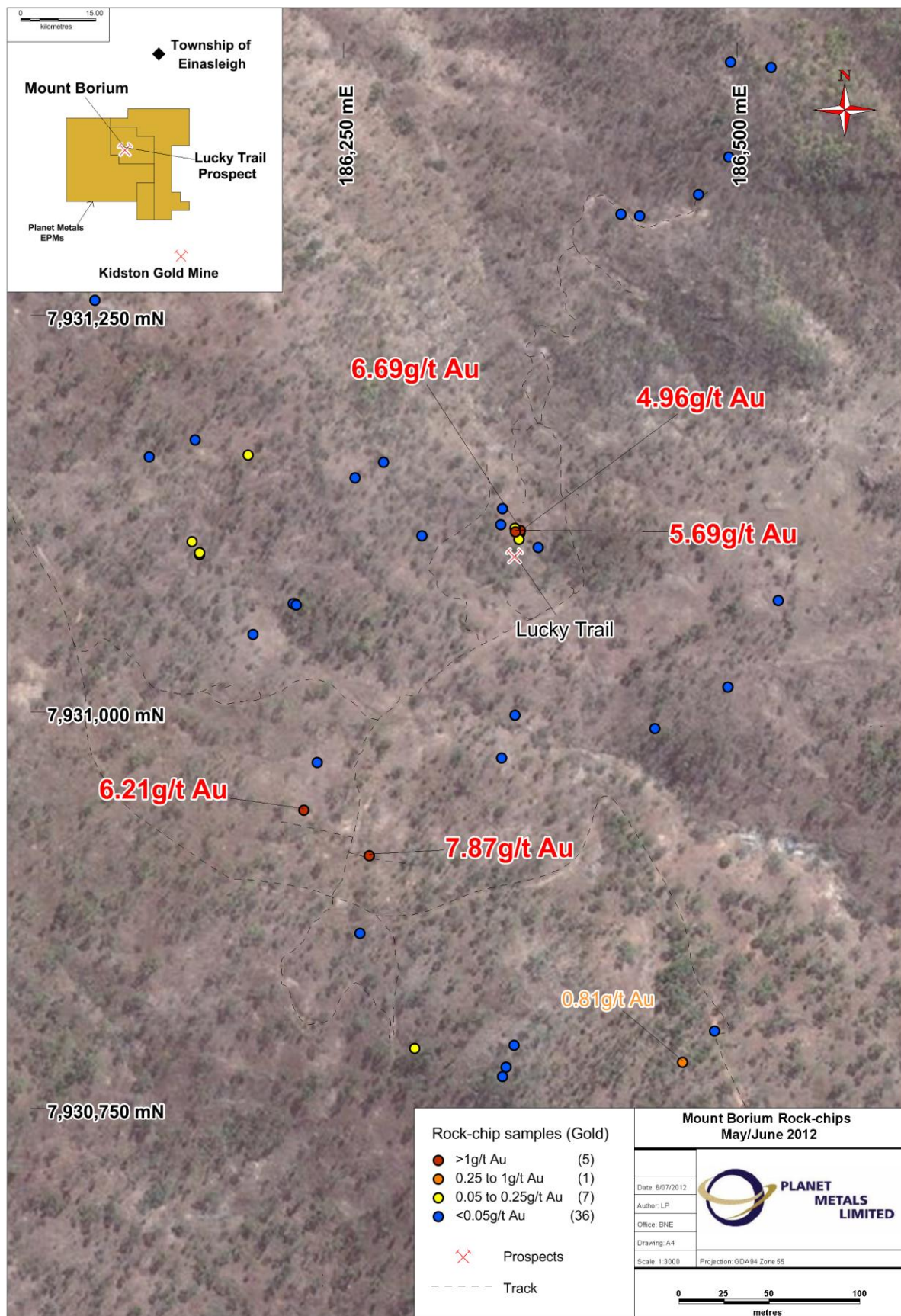
The compilation of technical information contained in this report has been undertaken and supervised by Dr Louis Schurmann, a specialist geological consultant employed by Salva Resources. Salva has been engaged by Planet Metals to provide technical and field exploration services relating to the Mount Borium project. Dr Schurmann is a competent person and member of the Australian Institute of Mining and Metallurgy (AusIMM) and has relevant experience to the mineralisation, exploration results and targets and Mineral Resources being reported on to qualify as a Competent Person as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Schurmann consents to the inclusion of this information in the form and context in which it appears in this report.

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 has also entered into a farm-in agreement over the Casuarina Salt Prospect, near Gladstone, Central Queensland. Planet Metals has 59.7 million shares on issue as well as 6.5 million unlisted options. As at 30 June 2012, the Company had cash at hand of \$5.95 million. This is equivalent to cash backing of approximately 10 cents per share.

APPENDIX A

LOCATION OF MOUNT BORIUM ROCK CHIPS – JUNE QUARTER 2012 FIELDWORK



APPENDIX B

MOUNT BORIUM ROCK CHIP ASSAYS – JUNE QUARTER 2012 FIELDWORK

Sample ID	E	N	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm
780507	186476	7930787	0.81	4.09	4.8	20.9	12
780508	186496	7930807	0.04	0.07	2.2	14.9	15
780509	186270	7930865	0.02	0.03	3.1	40.9	12
780510	186306	7930793	0.12	0.35	99.3	6.8	29
780511	186159	7931110	0.07	1.60	71.5	969	213
780512	186164	7931102	0.10	2.98	133.5	4020	354
780513	186199	7931052	0	0.13	11.4	71.1	179
780514	186225	7931072	0	1.25	66.3	392	217
780515	186224	7931072	0	2.28	57.2	638	170
780516	186226	7931071	0.02	25.4	506	7030	627
780517	186370	7931124	4.96	119	641	695	815
780518	186370	7931121	6.69	112	862	976	1100
780519	186357	7931120	0.11	7.24	114.5	348	3670
780520	186357	7931119	0.10	5.29	106	194	240
780521	186356	7931120	5.69	56.4	1050	693	611
780522	186440	7931320	0.03	0.83	18.9	61.6	78
780523	186477	7931334	0	0.41	8.4	65.6	15
780524	186496	7931358	0.04	0.98	17.6	30.4	139
780525	186522	7931415	0.01	0.15	2.8	6.4	9
780526	186522	7931415	0	0.10	3.5	8.8	14
780527	186355	7931124	0	0.07	5.4	20.5	189
780528	186356	7931134	0.03	0.97	52.7	82.8	224
780529	186305	7931116	0	0.09	24.9	45.8	759
780530	186262	7931152	0	5.29	34.0	1140	422
780531	186280	7931162	0	14.1	36.3	322	699
780545	186194	7931165	0.05	0.32	19.8	164	130
780546	186160	7931174	0.01	0.18	8.6	79.7	76
780547	186164	7931103	0.10	29.7	53.3	2970	390
780548	186241	7930972	0.01	0.36	25.1	28.8	24
780549	186275	7930914	7.87	0.31	10.8	16.3	32
780550	186366	7931004	0.03	0.21	36.8	133	301
780551	186358	7930977	0.02	0.16	6.2	18.6	70
780552	186455	7930997	0.01	0.09	12.1	25.5	104
780553	186501	7931024	0	0.12	22.3	56.2	230
780554	186532	7931079	0.01	0.14	31.2	78.8	428
780555	186617	7931151	0	0.09	3.2	39.9	120
780559	186369	7930796	0.01	0.07	3.6	11.9	12
780560	186364	7930782	0.03	0.14	3.3	12.0	13
780561	186362	7930776	0.04	0.12	3.4	18.2	17
780562	186379	7931110	0.03	0.88	12.4	403	783
780563	186428	7931321	0	0.08	4.3	14.2	73
780564	186496	7931418	0	0.07	7.4	13.3	36
780565	186586	7931536	0.02	0.18	5.2	10.3	14
780566	186639	7931690	0	0.40	4.1	1910	454
780567	186611	7931693	0	0.14	4.0	2690	138
780568	186091	7931305	0.01	0.48	5.3	65.2	48
780569	186095	7931261	0.01	0.63	48.3	851	725
780570	186131	7931163	0	0.16	7.6	48.9	47
780571	186233	7930942	6.21	46.8	38.8	721	365