PLANET METALS LIMITED

ASX RELEASE

24 August 2012

ASX Code: PMQ

Managing Director Remuneration

Planet Metals Limited (ASX: PMQ) refers to its announcement of 31 July 2012 regarding the appointment of Mr Brett O'Donovan as Managing Director of the Company effective on the same date.

In accordance with ASX Listing Rule 3.1 and ASX update 03/03, the key terms of Mr O'Donovan's remuneration following his appointment as Managing Director, for an initial 2 year term, are as follows:

1) Mr O'Donovan is entitled to an annual base salary of $180,000 per annum plus statutory superannuation contributions. This salary remains at the same level as was previously paid to Mr O'Donovan in his prior role as CEO of the Company. An annual bonus may be payable at the Board's discretion.

2) In lieu of an increase in salary, an additional 4,000,000 options to acquire ordinary shares at an exercise price of $0.025 with an expiry date of 31 July 2014 have been agreed, subject to shareholder approval at the Company's AGM on 30 October 2012. This exercise price compares with a closing price of the Company's shares of $0.021 on 31 July 2012 and an adjusted 30 day VWAP of $0.0216 as at the same date.

3) Subject to any restrictions or approvals under the Listing Rules and the Corporations Act, upon termination of the appointment (other than for serious misconduct), Mr O'Donovan will be entitled to a payment equal to 6 months of his annual base salary.

For further information please contact:

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