

15 November 2004

The Manager Companies  
Australian Stock Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

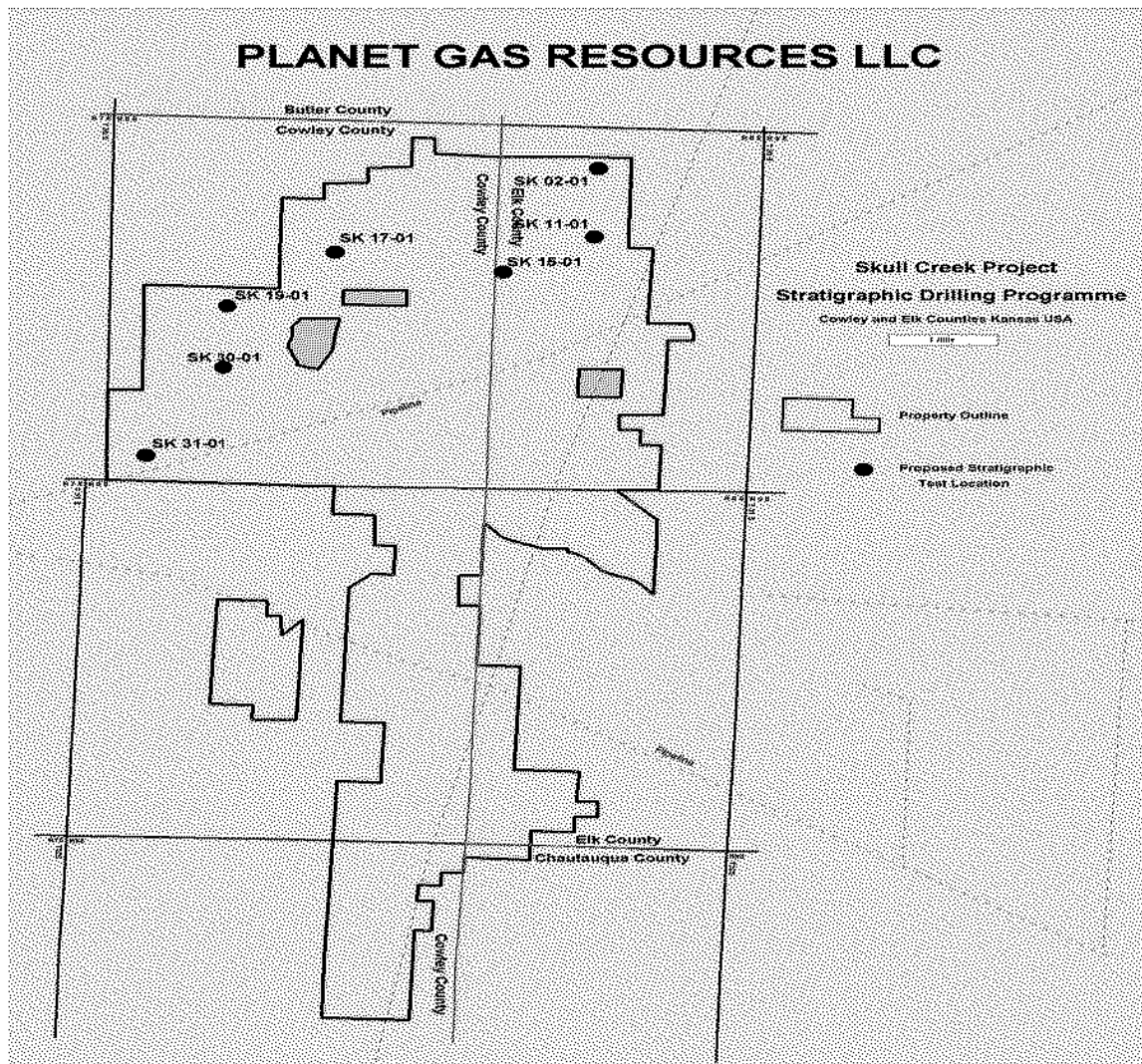
(2 pages by email)

Dear Madam

## RE: FERGUSON RANCH 12-31 (SK 31-01) REACHES TOTAL DEPTH CHEROKEE BASIN KANSAS USA

Planet Gas Limited advises that its wholly owned subsidiary Planet Gas Resources LLC has completed its first of up to seven stratigraphic wells on its Cherokee Basin Kansas USA tenement to confirm previous total coal isopach mapping and assess the in-situ gas of both the coal horizons and conventional reservoirs prior to development drilling programs.

The Ferguson Ranch 12-31 (SK 31-01 on the attached map) has been drilled to a depth of 919 metres (3,015 feet). Preliminary evaluation of the electric logs and gas detection run at this time indicates approximately 5.9 metres (19.5 feet) of gassy coal and carbonaceous shale within the Cherokee Formation which is the primary coalbed methane target horizon as expected. Although anomalous indicators (trace fluorescence, trace pale yellow cut, gas detection, and Density-Neutron crossover) are present within a potential conventional reservoir in this hole, it is believed to be wet and not economic. As originally planned the bore will be plugged and abandoned.



It is anticipated that the second stratigraphic test (SK 30-1) will be spudded today.

For further information, contact Norman Seckold or Bruce Riederer on (61-2) 92475112.

Yours sincerely

A handwritten signature in black ink, appearing to read 'PJN', with a stylized flourish at the end.

Peter J. Nightingale  
Director

pjn2796