

17 November 2004

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

(2 pages by email)

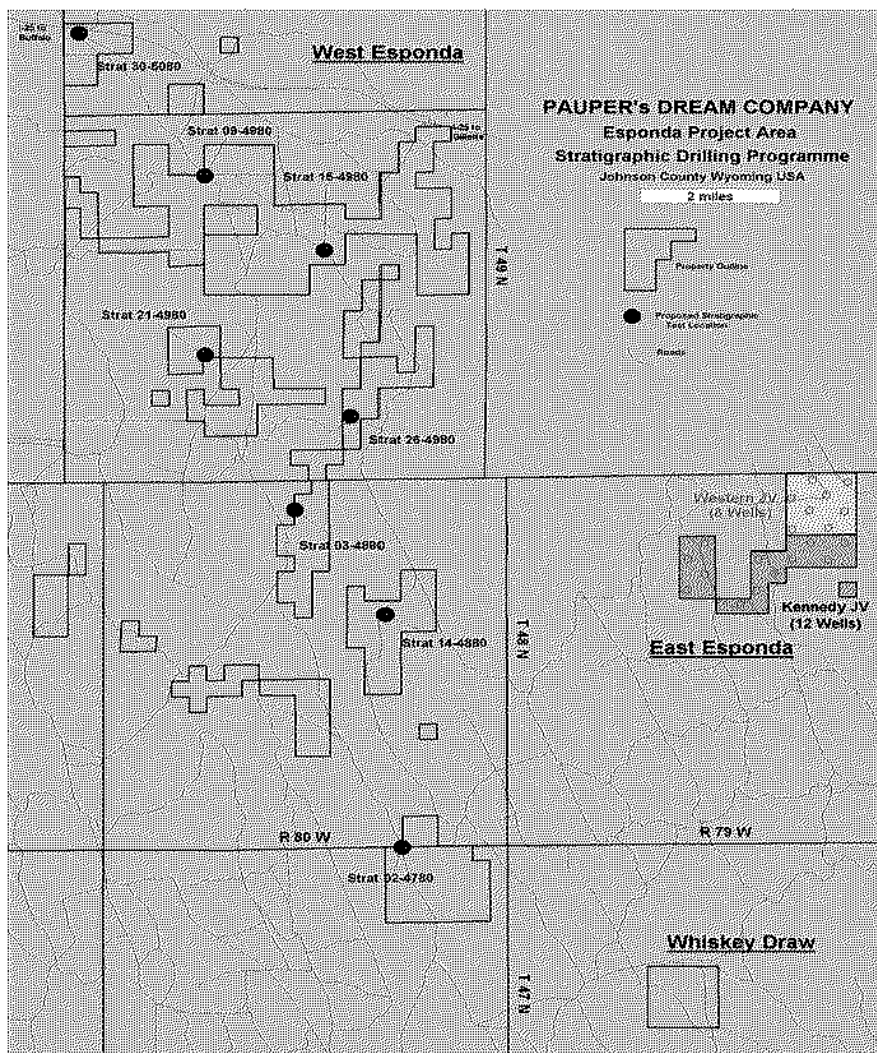
Dear Madam

## RE: POWDER RIVER BASIN DRILLING

Planet Gas Limited advises that its wholly owned subsidiary Pauper's Dream Company has successfully completed its first of up to eight stratigraphic wells at its West Esponda Project within the Powder River Basin, Wyoming, USA.

The stratigraphic drilling program is designed to confirm previous total coal isopach (thickness) mapping and assess the in-situ gas of each coal horizon prior to the commencement of development drilling programs.

STRAT 09-4980 (see attached map) well has been drilled to a depth of 916 metres (3,005 feet). Preliminary evaluation of the electric logs and gas detection run is highly encouraging indicating approximately 44.5 metres (145 feet) of gassy coal within horizons of the Fort Union and Wasatch Formations which are the primary coal bed methane targets.



It is anticipated that the second stratigraphic test well (STRAT 15-4980) 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 'P. Nightingale', with a stylized, cursive script.

Peter J. Nightingale  
Director

pjn2800