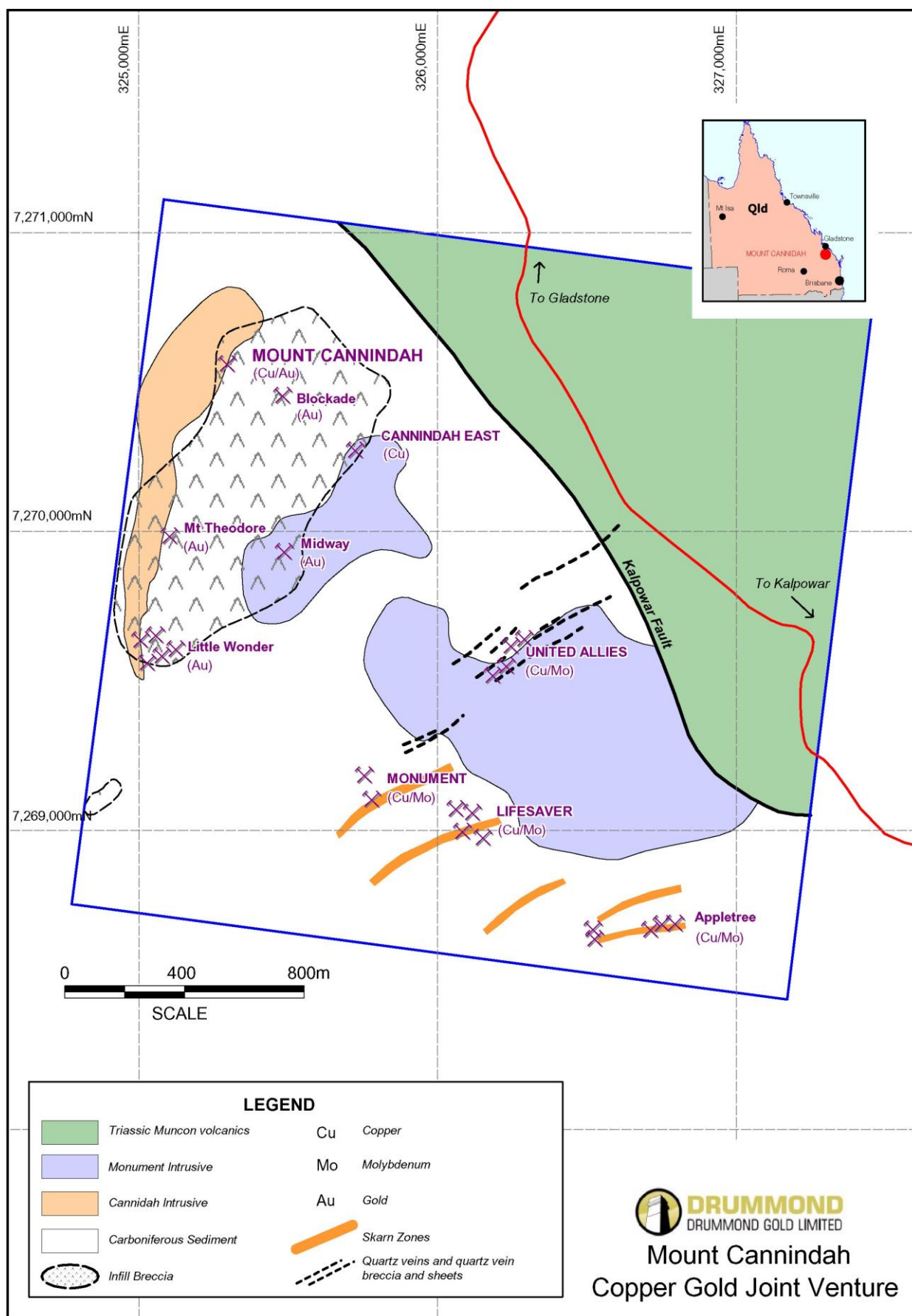


Mount Cannindah Cu-Au Project - Farm-In Partner Elects to Earn-In

Mount Cannindah Copper-Gold Project

Located near Monto and approximately 100km south of Gladstone, Qld

- Planet Metals is pleased to announce that its farm-in partner at the Mount Cannindah copper-gold project, Drummond Gold Limited (ASX Code: DGO), has elected to earn-in to the project.
- This follows Drummond Gold completing its initial obligations under the Farm-In Agreement by meeting Threshold Expenditure Requirements of \$750,000 (including a 3,000m drill program).
- Drummond has spent a total of \$1,352,000 on the project to date, with the additional \$602,000 above the threshold expenditure requirement contributing to this current earn-in period. As part of this earn-in period, Drummond can attain a 51% interest in the project by spending \$2.5 million within 2 years, of which \$602,000 has already been spent.
- Drummond is currently undertaking a revised Mineral Resource Estimate for Mount Cannindah and is presently assessing historic exploration data for the entire tenement area. This data review has recognised high grade, near surface gold, copper and molybdenum mineralisation including:
 - At the United Allies prospect, previous drill intersections of 40.23m at 0.6% Cu and 245g/t Mo from surface, 13.72m at 1.4% Cu from 1.5m and 8m at 2% Cu from 19.8m have been returned over an area of 350m by 250m. Only four holes have been drilled to depths greater than 40m in this area.
 - At the Monument – Lifesaver prospect, drilling along a one kilometre trend has returned intersections including 53.3m at 0.5% Cu and 95g/t Mo from surface and 45m at 0.4% Cu and 241g/t Mo from 1m. Most holes in this area are less than 60m depth.
 - At the Cannindah East prospect, drilling returned values of 36m at 8.7g/t Au (including 2m at 112.6g/t Au) from 2m, 24m at 2.3g/t Au from 4m and 34m at 7.4g/t Au from surface.
- Drummond's next phase of exploration will be to assess these and other targets within the tenement area for follow-up with drilling.



For further information, please contact:

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The data in this report that relates to Exploration Results and the interpretation of mineralisation at Mount Cannindah are based on information compiled by Mr Erik Norum who is a Member of The Australasian Institute of Geoscientists and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Norum is a full-time employee of Planet Metals' farm-in partner, Drummond Gold Ltd, and he 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), the Mount Borium gold project (located between Kidston and Einasleigh, Qld - tenements currently being offered for grant) and the recently announced farm-in agreement over the Delaney gold project, near Georgetown, North Queensland. The Company's major shareholder is Metallica Minerals (ASX Code: MLM) with a 37% shareholding. As at the date of this release, Planet Metals has 59.7 million shares on issue as well as 2.5 million unlisted options. The Company had \$3.86 million cash on hand as at 30 June 2011 and as at the date of this report holds a further \$2.4 million worth of Deutsche Rohstoff AG shares which are listed on the Frankfurt Stock Exchange in Germany.

