



2 October 2009

Dear Shareholder,

PLANET METALS LIMITED NON-RENOUNCEABLE RIGHTS ISSUE

On 29 October 2009, Planet Metals Limited (**PMQ** or the **Company**) announced that it will undertake a non-renounceable rights issue (**Rights Issue**) to raise funds for its drilling program and working capital.

The details of the Rights Issue are as follows:

- The offer is a non-renounceable offer for ordinary fully paid shares in PMQ (**PMQ Shares**);
- PMQ Shares will be issued on the basis of 1 share for every 2 shares held on the Record Date of 12 October 2009;
- The maximum number of PMQ Shares to be issued will be 19,905,705;
- The issue price will be 10 cents per PMQ Share;
- The new shares will rank equally in all respects with the existing shares;
- The maximum amount of money raised by the Rights Issue will be approximately \$1.99 million; and
- Money raised through the rights issue will be used for PMQ's drilling program, working capital and to meet the costs of the Rights Issue.

PMQ's major shareholder Metallica Minerals Limited (ASX Code – MLM) (who holds about 76% of the shares in PMQ) have entered into an Underwriting Deed dated 29 September 2009 whereby MLM has agreed apply for its entitlement and to fully underwrite the Rights Issue.

The Rights Issue Offer Document has been lodged with the Australian Securities & Investments Commission and ASX and is available on the ASX website at www.asx.com.au and also on the Company's website at www.planetmetals.com.au. The amended indicative timetable for the Rights Issue is as follows:



**PLANET
METALS**

Event	Date
Rights Issue prospectus lodged with ASIC and ASX prior to commencement of trading	1 October 2009
Notice with information on Rights Issue sent to PMQ shareholders	2 October 2009
Share commence trading on ASX on an ex rights basis	6 October 2009
Record date for participation in Rights Issue	12 October 2009
Prospectus dispatched to PMQ shareholders and announcement of dispatch	16 October 2009
Rights Issue offer opens	19 October 2009
Closing time and date for acceptances and payment in full under Rights Issue	5pm Brisbane time 2 November 2009
Expected date for commencement of trading of New Shares on ASX on a deferred basis	Wednesday 4 November 2009
Dispatch of shareholder statements for new shares under the Rights Issue	10 November 2009
Normal trading commences for new shares on ASX	11 November 2009

The timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors of the Company reserves the right to vary these dates, including the Closing Date, without prior notice.

The Rights Issue is for all PMQ Shareholders on record as at 5pm on 12 October 2009 with registered addresses in Australia or New Zealand. Entitlements to new shares pursuant to the Rights Issue are non-renounceable and accordingly will not be traded on the ASX.

The Offer Document containing the Entitlement and Acceptance Form will be despatched to all eligible shareholders of the Company registered at the Record Date on 12 October 2009.

Accompanying this letter is an Appendix 3B notice.

On behalf of the Board

John Haley
Company Secretary