

**PLANET EXPLORATION INC.
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE QUARTER ENDED JUNE 30, 2009**

August 28, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis is a review of operations, current financial position and outlook for Planet Exploration Inc. ("Planet" or the "Company") and should be read in conjunction with the unaudited quarterly financial statements for the three months ended June 30, 2009, the audited financial statements for the year ended March 31, 2009 and management's discussion and analysis for the year ended March 31, 2009. The financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada.

Forward Looking Information

Statements in this document which contain "forward-looking information" within the meaning of applicable Canadian securities rules can be found under the headings "Liquidity", "Financial Risk", and "Changes in Accounting Policies Including Initial Adoption". In particular, forward looking information includes material assumptions regarding Company's future exploration program and the effect IFRS is expected to have on the financial statements. The forward-looking information is based on those assumptions as noted in each section, which are based, in turn, on the information available to management as at the date of this document. The reader is cautioned that material assumptions used in the preparation of such information may prove to be incorrect and should carefully consider the assumptions presented, even though at present, such assumptions are believed to be reasonable. Also, events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. Additional information regarding some of these risk factors may be found under "Risk Factors". The reader is cautioned not to place undue reliance on this forward-looking information.

COMPANY PROFILE

Planet is a junior mineral exploration company that is listed under the symbol "PXI" on the TSX Venture Exchange.

Outlook

Planet continues its exploration activities at its Red Lake, Ontario (Sidace Lake) property.

Core Property Update

Sidace Lake (Red Lake Mining District), Ontario

Location and Ownership

Planet's primary property comprises 63 unpatented contiguous mining claims covering an area of 12,224 Ha, located 25 km northeast of Balmertown, Red Lake Mining Division, Ontario. The property is owned 40% by Planet and 60% by affiliates of Goldcorp Inc. ("Goldcorp") under the terms of a joint venture. The Sidace Lake property is subject to a 1% Net Smelter Royalty. The joint venture is funded 60% by Goldcorp (who are the operators) and 40% by Planet.

Brief History

Since 1998, when Planet first took an interest in the property, 245 diamond drill holes, totalling 90,142 metres of NQ core have been drilled on the Sidace lake joint venture, including 16 holes abandoned for logistical reasons, 17 sidetrack wedges and 7 extensions to previously drilled holes.

Calendar year	holes	metres
1998	6	828
1999	11	2,638
2002	21	3,875
2003	16	7,475
2004	29	15,506
2005	43	12,576
2006	39	12,114
2007	40	16,170
2008	32	14,476
2009 (to June 30)	5	2,419
2009 (after June 30)	4	2,065
Totals	245	90,142

Systematic exploratory diamond drilling within a 1,500 ha central corridor on these claims has identified the Main Discovery Zone ("MDZ"), Upper Duck Zone ("UDZ"), West Duck 77, West Duck 84, Deep Footwall, Far West, Skarn and the Anderson Zones. The above table shows progressive drilling on the property over the years on the property. Most efforts have concentrated on delineation and evaluation of the MDZ and UDZ as areas of high potential. Drilling by the joint venture restarted late in the quarter ended June 30, 2009 and 2,419m were drilled in 5 new holes, all on the MDZ during this quarter, compared to 1,250m in 3 holes for the quarter ended June 30, 2008.

On 14 April 2009, Planet announced a National Instrument 43-101 ("NI 43-101") compliant independent Technical Review of the Sidace Lake Gold Property, Including Mineral Resource Estimates for the Main Discovery and Upper Duck Zones, Red Lake Mining Division, Northwestern Ontario ("the Technical Report") produced by Watts, Griffis and McQuat Limited ("WGM"), a geological engineering firm based in Toronto, Ontario. Included in this report is a Mineral Resource estimate on the 2 most advanced prospects on the claims, the MDZ and UDZ. The Technical Report demonstrates:

- the Sidace Lake Property is host to several significant gold deposits
- two of these deposits (the MDZ and UDZ) are in an advanced stage of exploration; and
- the Mineral Resources on the MDZ and UDZ are substantial, with:
 - 1,119,500t at 3.00g/t containing 107,900oz Au in the Indicated category in the uppermost 410m in the MDZ and
 - 1,677,200t at 3.01g/t, containing 162,500oz Au in the Inferred category in the MDZ plus
 - 247,600t at 4.19g/t containing 33,300oz Au in the Indicated category in the uppermost 312m of the UDZ and
 - 425,800t at 4.11g/t containing 49,700oz Au in the Inferred category in the UDZ.
- Total Indicated Resources 1,367,200t at 3.21g/t containing 141,300oz Au
- Total Inferred Resources 2,103,100t at 3.24g/t containing 218,800oz Au
- These resources are open at depth and in the case of the MDZ, laterally towards the northeast and southwest. The UDZ is cut off by dykes to the northeast and by a fault to the southwest. Previous drilling (RL-05-77, RL05-105) picked up gold mineralization in iron formation to the west of the fault.

The Main Discovery Zone (“MDZ”)

The mineralization on the MDZ down to 450m, where we have drilled with some intensity is now well understood, and our probes to 950m below surface show continuing strong mineralization and gold values. This body is largely stratabound in a quartz-sericite schist in which pervasive gold values in a thick envelope are associated with disseminated arsenopyrite, commonly with realgar, orpiment, stibnite and pyrite, some molybdenite and abundant quartz veinlets. There is a barren silica flood zone to the immediate north and east of this envelope, that appears to define one wall of the mineralized body. Within the envelope of gold values five higher grade shoots have been identified, but the higher grade gold mineralization is not entirely constrained by either the original lithology, nor by the overprinted metamorphic fabric and facies.

The MDZ is complex shaped like a distorted open 'Z' which tightens with depth. The upper bar of the 'Z' is the North limb: the diagonal and lower bars comprise the Main limb, which is concave to the east. To the immediate west of this 'Z' are three lesser bodies, two concentric with the Main limb (Hangingwall #1 and #2) and a third (Axial) that bisects the acute angle between the North and Main limbs. The North and Axial limbs dip at steeply ($>75^{\circ}$) northwest. The Main Limb and its parallels dip vertically, or at very steep angles ($>80^{\circ}$) to the west, locally reversing to the east. The entire fold system plunges very steeply north. All 5 of the constituent bodies of the MDZ are open to depth

Drilling during this quarter included 2 holes totaling 861m (RL09-196 and RL09-197) which targeted the eastward strike extension of the Main limb of the MDZ. Both holes were successful and have extended known strike by about 150m east of the last intersection. The intersection in RL09-196 is of particular interest, because it targeted a possible fold feature that was indicated by a magnetic anomaly in the same stratigraphic formation as the MDZ.

To the west, a third new hole (RL09-198) of 598m final depth was completed this quarter, designed to confirm at depth the indication that the North limb of the MDZ extends at least 50m further west than it has been intersected at depth. This is now confirmed and the total known strike of the MDZ is over 500m and open in both directions. During the quarter 2 further holes (RL09-199 and RL09-200) were drilled on the west end of the North limb. Assays for these holes are still awaited.

Upper Duck Zone

The Upper Duck Zone (UDZ), 1,200m to the southwest of the MDZ, is an entirely separate and different feature, which was originally a silicate-sulphide facies banded iron formation, that is now garnetiferous and rich in magnetite and commonly shows minute specks of visible gold in pyrite-pyrrhotite-arsenopyrite bands. The zone strikes roughly 050° , dipping steeply (65°) to the northwest in mafic to intermediate volcanics. At least 3 sub-parallel tabular bodies in close proximity comprise the UDZ. These appear to be fold repetitions of the same iron formation, doubling back on itself in a tight 'Z'. To the east, it is disrupted by intrusion of a porphyry stock and eventually cut off by gabbro. To the west, the feature is interrupted by faulting. The gold mineralization is constrained by neither lithology nor stratigraphy, with some higher values occurring in feldspar porphyry, in close proximity to iron formation, generally associated with the same characteristic arsenopyrite. Some interference by intrusive porphyritic felsic dykes complicates what is otherwise a relatively simple body which has returned good and fairly consistent gold values.

No further drilling is planned on the UDZ until winter, when access is easier.

Other prospects within the claims area

The MDZ and UDZ deposits, on which the Mineral Resources have been estimated, are confined within an area of 170 hectares to only 2 of several occurrences of potential that have been intersected on the claims. Exploratory drilling by the Joint Venture has covered less than 25% of the claims area, and almost all within a central corridor of only 1,500 hectares of the more than 12,000 hectares that comprise the claims. In addition to the MDZ and UDZ, 4 discoveries have been identified in other drilling:

Skarn Zone

Emphasis in drilling is now shifting to the Skarn Zone and 3 holes (RL09-202 and RL09-203 plus an extension of the previously drilled RL05-83) have been drilled in the current program after the end of the quarter ended 30th June 2009.

The Skarn Zone comprises several disseminated pyrite-pyrrhotite-arsenopyrite rich epidote-garnet carbonate-quartz skarn veins in sheared mafic volcanics. Occasional fine flecks of gold are visible in the veins. The known strike of this mineralization is over 400m roughly north-south with a steep western dip. Several iron formations within the Zone also carry gold values. The Skarn Zone is very different from both the MDZ and UDZ, and lies 1,500m southwest of MDZ. It has been intersected in 7 of 8 holes on it. The assays from the holes drilled previously on this feature, which is open north, south and at depth, include 2 intersects over 10g/t over a metre and 4 intersects over 5g/t over a metre.

Hole	from m	to m	Au g/t	Thickness M
RL04-40	180.70	183.50	10.12	2.70
RL04-49	223.85	225.00	5.63	1.15
RL04-51	178.00	180.00	7.59	2.00
RL05-69	136.00	139.00	3.07	3.00
RL05-82	157.70	158.20	9.28	0.50
RL04-85	no significant values			
RL05-86	72.00	73.00	2.96	1.00
	325.00	326.00	13.03	1.00
RL05-87	100.00	101.00	5.64	1.00

Anderson Zones

Of the 20 holes drilled around Anderson Lake in 2005, 16 were completed, and encouraging values returned in 7 of those holes. Follow up work was done early 2008, deepening 3 holes. During July of 2009, one deep hole (RL09-201) has been drilled to 1,065m. Assay results are not yet to hand, but the hole shows some encouragement, with variable skarn veining down to about 340m in mafic volcanics, followed by intermixed intermediate to mafic volcanics, some sediments, and intermixed porphyry dykes. The hole reconfirms that the core of the fold zone beneath Anderson Lake is indeed an ultramafic. A strong shear structure with associated veining marks the eastern contact of this ultramafic.

Deep Footwall Zone

The zone is a distinct, essentially tabular body that lies well beneath the MDZ, and has been intersected in 10 holes which cover a 550m southwesterly strike, open west and at depth. Values of more than 10g/t over 1.00m occur in 3 of these intersects, and in excess of 5g/t over 1.00m in another 4 intersects. Gold values are associated with wispy green mica, minor stibnite, and traces of stubby arsenopyrite. Hole SD-04-01, collared in 2004 from the neighbouring Rubicon claim, intersected this Deep Footwall

Zone on our claim at almost exactly 1,000m below surface. The feature is best drilled over winter-spring, when access is easier.

West Duck 77

Located 300m southwest of the western fault cut-off of the UDZ, and discovered in 2005 in hole RL05-77, the zone has returned values in 6 of the 9 holes drilled on it to date. The intersections in RL05-77 (37.08g/t over 1.30m) and RL08-182 (17.07g/t over 3.00m) are particularly noteworthy. Additional drilling is required because there is evidence of considerable faulting in many of these holes.

Additional targets and occurrences

The 4.5km strike between the MDZ and the very similarly hosted Far West occurrence has not yet been adequately explored, and within the 1,500 ha exploration corridor, the company has also identified the following areas of interest.

West Duck 84

Located 500m southwest of the above West Duck 77 this was intersected in one isolated hole, RL-05-84, and these intersections have not been followed up. The nearest offset hole, RL05-94, was drilled approximately 100m away. The more significant assays in hole RL05-84 includes 3.93g/t over 2.00m. A closer pattern of evaluation drilling is required before we can understand this occurrence.

Geophysical target #2

In apparently similar lithology and structure to MDZ, 1,000 metres east, this has never been drilled. In view of the success of hole RL09-196 into Geophysical target #1, the priority for drillholes into this location has increased.

Far West target

This is a very significant occurrence that has similar lithology and stratigraphic position to MDZ, but lies at least 4,500m west of it. A single hole (RL04-46) drilled in 2004 showed 2.5g/t Au over 3.85m in bleached ultramafic immediately beneath quartz-sericite schist, but all further drilling in the area was plagued by difficulties in penetrating deep glacial overburden, and the 3 attempts were abandoned without successfully going beyond the casing stage.

Work During the Quarter Ended June 30, 2009

During the quarter ended June 30, 2009, 2,419m were drilled in 5 holes compared to 1,250m in 3 holes for the quarter ended June 30, 2008.

Work Subsequent to the Fiscal Year End

A further 3 new holes and an extension of a preexisting hole totalling 2,065m were drilled after June 30, 2009. This wraps up drilling for the current program. Once all holes have been logged and assays received for the sampled portions, the status of the various projects will be assessed and follow-up work will be planned.

All field work, drilling supervision and core logging and sampling is conducted by the geological staff of Goldcorp. Dr Adrian G Mann, P. Geol., is the Qualified Person for Planet.

Current operations

The Company is currently focusing its efforts primarily on its Sidace Lake property drilling program.

Financial Condition

The financial condition of the Company at June 30, 2009 remains strong. The Company has no debt and working capital of \$4,919,705. The Company utilizes this working capital for expenditures on exploration and general and administrative expenses.

Selected Financial Information

	3 Months Ended June 30, 2009 \$	3 Months Ended June 30, 2008 \$	% Change
Interest Revenue	6,293	54,848	(88.5)
General and Administrative expenses	102,401	109,913	(6.8)
Stock Based Compensation	6,737	3,639	85.1
Loss before income Taxes	(102,949)	(58,825)	(75.0)
Net loss and comprehensive loss	(102,923)	(58,799)	(75.0)
Loss per share – Basic	(0.004)	(0.002)	(100.0)

Balance sheet as at	June 30, 2009	June 30, 2008
Working Capital	4,919,705	6,247,242
Mineral Properties	6,137,980	5,216,413
Total Assets	11,223,558	11,824,483
Shareholders' Equity	10,458,665	10,840,980
Weighted number of shares		
Basic and diluted	25,319,190	25,309,190

Discussion of Financial Results for the Quarter ended June 30, 2009 compared with the Quarter ended June 30, 2008

Interest Revenue

The Company's only source of income is interest revenue. Interest revenue was \$6,293 for the quarter ended June 30, 2009 compared to \$54,848 in the quarter ended June 30, 2008. This decrease is mainly due to significantly reduced bank interest deposit rates and a continuing drill program. Average deposits for the quarter ended June 30, 2009 approximated \$5,117,000 compared to \$6,363,000 in the comparative period. The average interest rate received was approximately 0.49% in the three months ended June 30, 2009 compared to 3.45% in the comparative period.

General and Administrative Expenses

General and administrative expenses for the quarter ended June 30, 2009 were \$102,401, compared to \$109,913 for the quarter ended June 30, 2008. The particular level of acquisition and exploration activity has a direct effect on the level of general and administrative costs. Gains and losses from adjusting marketable securities to fair value are included in general and administrative costs. The change in fair value for the current quarter was a recovery of \$2,350 (2008 - \$nil). Aside from the above, management is not aware of any discernable quarterly trends in expenditure.

Cash Flow From Operations

Planet used \$94,465 in cash flow from operations in the quarter ended June 30, 2009, compared to \$32,325 for the quarter ended June 30, 2008. There has been a significant reduction in bank interest deposit rates compared to the quarter ended June 30, 2008.

Property Expenditures

The Company incurred expenditures on its active mineral property as follows:

Property	Quarter ended June 30, 2009 \$	Quarter ended June 30, 2008 \$	% change
Red Lake, Ontario (Sidace Lake)	95,453	128,665	(25.8)

2,419m were drilled in 5 new holes for the quarter ended June 30, 2009, compared to 1,250m in 3 holes for the quarter ended June 30, 2008.

Stock Options

No stock options were granted during the quarters ending June 30, 2009 and June 30, 2008.

Related Party Transactions

For the three months ended June 30, 2009, the Company incurred \$15,000 (2008 - \$15,000) in director's fees from Ranjeet Sundher, an officer and director of the Company. These fees have been included in general and administrative expenses and were paid at a fixed monthly rate of \$5,000.

For the three months ended June 30, 2009, the Company incurred \$15,000 (2008 - \$15,000) in director's fees from Darold H. Parken, a director of the Company. These fees were billed at a monthly rate of \$5,000, and have been included in general and administrative expenses.

For the three months ended June 30, 2009, the Company incurred \$21,000 (2008 - \$21,000) in director's fees from Salim Jivraj, a director of the Company. These fees have been included in general and administrative expenses and were paid at a fixed monthly rate of \$7,000.

For the three months ended June 30, 2009, the Company incurred \$15,420 (2008 - \$14,460) in geological consulting fees and \$1,838 (2008 - \$1,416) in expense reimbursements from a company in which Adrian Mann, an officer and director of the Company, is the principal shareholder. These fees have been capitalized to the mineral properties.

These related party transactions are in the normal course of operations and have been measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Summary of Quarterly Results

	First Quarter Ended Jun. 30, 2009 \$	Fourth Quarter Ended Mar. 31, 2009 \$	Third Quarter Ended Dec. 31, 2008 \$	Second Quarter Ended Sept. 30, 2008 \$	First Quarter Ended Jun. 30, 2008 \$	Fourth Quarter Ended Mar. 31, 2008 \$	Third Quarter Ended Dec. 31, 2007 \$	Second Quarter Ended Sept. 30, 2007 \$
Financial								
Interest income	6,293	14,856	39,640	49,595	54,848	71,721	86,310	90,023
General & Admin (including amortization)	102,505	143,192	169,791	101,331	110,034	102,208	116,522	114,199
Net and Comprehensive (loss) Income	(102,923)	(110,994)	(216,417)	(55,345)	(58,799)	(369,095)	(48,884)	(37,019)
Net (loss) Income per share	(0.004)	(0.004)	(0.009)	(0.002)	(0.002)	(0.015)	(0.002)	(0.001)
Working Capital	4,919,705	5,111,265	5,283,534	5,760,680	6,247,242	6,430,971	6,642,718	6,998,239

Planet's only source of income is interest revenues. The Company utilizes its working capital for expenditures on exploration and general and administrative expenses. As cash has been spent the amounts placed in higher interest earning deposits have declined. In addition, average interest rates have trended significantly lower over the previous eight quarters resulting in decreasing interest revenues.

Liquidity

The Company as a working capital balance of \$4,919,705 as of June 30, 2009. Planet has no debt. Based on this information, management is of the opinion that the Company is able to utilize its current cash position to meet its obligations.

The Company is however, dependent upon the completion of future financing should commercial production become a viable option in the future. Please see the "Risk Factors" section for further details.

Capital Management

The Company's objectives when managing capital are:

- To safeguard the entity's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing exploration and operating costs.

The Company defines its capital as shareholders' equity (excluding accumulated other comprehensive income (loss)), which includes cash and cash equivalents and marketable securities. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may pay dividends, return capital to shareholders or issue new shares. The Company currently has no externally imposed capital requirements. Recent economic conditions have not significantly affected Planet's objectives, policies or processes for managing its capital.

Off-balance Sheet Arrangements

As at June 30, 2009 as well as the date of this report, Planet does not have any off balance sheet arrangements.

Critical Accounting Estimates

Mining Interests

The Company prepares its Financial Statements in conformity with Generally Accepted Accounting Principles ("GAAP") in Canada. The Company lists its significant accounting policies in Note 2 to its annual Financial Statements, of which the Company has identified the following accounting policies, which are believed to be the most critical in fully understanding and evaluating the reported financial results.

Mineral properties consist of exploration and mining concessions, options and contracts. Acquisition and exploration costs are capitalized and deferred until such time as the property is put into production, or the property is disposed of either through sale or abandonment. If put into production, the costs of acquisition and exploration will be written off over the life of the property based on estimated economic reserves. Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in operations for the period. If a property is abandoned, the acquisition and deferred exploration costs will be written off to operations.

Management reviews capitalized costs on its mineral properties on a periodic basis and recognizes impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable operations from the property or sale of the property.

Future Tax Assets and Liabilities

The Company recognizes the future tax benefit related to future income tax assets and sets up a valuation allowance against any portion of those assets that it believes is not likely to be realized. Assessing the recoverability of future income tax assets requires management to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. In circumstances where the applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates could occur that materially affect the amount of future income tax assets and liabilities recorded at the balance sheet date.

Risk Factors

There can be no assurance that commercial quantities of valuable minerals will be recovered by Planet in the future. Mining exploration involves a high degree of risk and there is no assurance that expenditures made on future exploration by the Company will result in new discoveries of mineral deposits in commercial quantities. It is difficult to project the costs of implementing an exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions and changes in drilling plans and locations as a result of prior exploratory holes or additional seismic data and interpretations thereof. The Company currently has focused its efforts on its property in Red Lake, Ontario. Exploration projects are reviewed at a very early stage for all aspects including: corporate fit, environmental issues, timing, costs and reward potential. Identified risks are addressed and excessive risks are mitigated, to the extent possible, before any project is approved. Management will continue to evaluate prospects on an ongoing basis in a manner consistent with industry standards and their past practices. The long term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce valuable minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation.

Interest rate risk

Planet's only source of income is interest revenues. The Company utilizes its working capital for expenditures on exploration and general and administrative expenses. As cash has been spent the amounts placed in higher interest earning deposits have declined. In addition, average interest rates have trended significantly lower over the previous eight quarters resulting in decreasing interest revenues. As at June 30, 2009 a 1% change in interest rates would affect the revenue derived from cash and cash equivalents by approximately \$50,000 on an annual basis.

Financial risk

Planet's business plan has been to grow through exploration of mineral resources. Planet's principal risks, as an exploration company, are that it must find and develop economic mineral resources and be able to fund the associated capital expenditures. Planet relies on equity financing. If any components of the business plan should be missing the Company may not be able to continue executing the entire business plan.

The unprecedented disruptions in the current credit and financial markets have had a significant material adverse impact on a number of financial institutions. As a result, certain companies have had and may continue to have, limited access to capital and credit. These disruptions could, among other things, make it more difficult for Planet to obtain, or increase its cost of obtaining, capital and financing for its operations.

Mineral property risk

Acquisition and exploration costs of mineral property interests are capitalized and deferred until such time as the property is put into production, the property is disposed of either through sale or abandonment or the property is considered uneconomic in the foreseeable future. If put into production, the costs of acquisition and exploration will be written off over the life of the property based on estimated economic reserves. Proceeds received from the sale of any interest in a property or option proceeds with respect to undeveloped properties are credited against the carrying value of the property, with any excess included in operations for the period. If a property is abandoned or considered uneconomic in the foreseeable future, the acquisition and deferred exploration costs are written off to operations.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements. Management reviews capitalized costs on its mineral properties on a periodic basis and recognizes impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable operations from the property or sale of the property.

Disclosure of Outstanding Share Data

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities issued by the Company.

	<u>Authorized</u>	<u>Outstanding</u>
Voting or equity securities issued and outstanding	Unlimited Common Shares	25,319,190 Common Shares
Securities convertible or exercisable into voting or equity securities and stock options	Stock Options to acquire up to 10% of the outstanding Common Shares at various exercise prices ranging between \$0.17 and \$0.56 per Common Share	2,307,500 Stock Options

Changes in Accounting Policies Including Initial Adoption

As of April 1, 2009, the Company has adopted Handbook Section 3064 "Goodwill and Intangible Assets" which replaced Handbook Section 3062 "Goodwill and Other Intangible Assets" and Handbook Section 3450 "Research and Development Costs". This Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to initial recognition of intangible assets by profit-oriented enterprises. The provisions relating to the definition and initial recognition of intangible assets are equivalent to the corresponding provisions of International Accounting Standard 38 "Intangible Assets". At the time of adoption there was no effect on the financial statements.

Future Accounting Pronouncements

Business combinations, consolidated financial statements and non-controlling interest

In January, 2009, the CICA issued new Handbook Section 1582, "Business Combinations", 1601, "Consolidations", and Section 1602, "Non-controlling Interests". These three sections replace Handbook Section 1581, "Business Combinations" and Section 1600, "Consolidated Financial Statements" and establish a new section for accounting for a non-controlling interest in a subsidiary.

Section 1582 establishes standards for the accounting for a business combination, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent consideration and contingencies will also be recorded at fair value on the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. It provides the Canadian equivalent to International Financial Reporting Standard ("IFRS") 3, "Business Combinations" (January, 2008). The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period on or after January 1, 2011.

Section 1601 establishes standards for the preparation of consolidated financial statements.

Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to IAS 27, "Consolidated and Separate Financial Statements" (January, 2008).

Handbook Sections 1601 and 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. Management is of the opinion that there will be no material impact on the Company resulting from the adoption of these new Sections on its financial statements.

International Financial Reporting Standards

A strategic plan has been adopted by the Accounting Standards Board for the future direction of accounting standards in Canada. It is expected that Canadian accounting standards for public companies will converge with International Financial Reporting Standards ("IFRS"). As the implementation date required by the Canadian Institute of Chartered Accountants is currently set for periods beginning on or after January 1, 2011, Planet is currently expecting to adopt IFRS beginning April 1, 2011. The Company will present its results for fiscal 2010 using contemporary Canadian GAAP. In 2011, the Company will present its comparative results for fiscal 2010 using contemporary IFRS. To accomplish this, in fiscal 2010 the Company will effectively maintain two parallel sets of financial statements. Planet is continuing to assess IFRS and its impact on the financial statements, but assumes this evaluation will have no impact on the expected adoption date.

The changeover to IFRS represents a significant change in accounting standards and the transition from current Canadian GAAP to IFRS will be a significant undertaking that may materially affect the Company's reported financial position and reported results of operations.

In response, the Company is in the process of completing its high-level IFRS changeover plan and establishing a preliminary timeline for the execution and completion of the conversion project. The changeover plan is expected to be completed once a preliminary assessment of the differences between Canadian GAAP and IFRS and the potential effects of IFRS on accounting and reporting processes, information systems, business processes and external disclosures is determined.

Future steps the Company expects to undertake include an in-depth review of the significant areas of difference identified during the preliminary assessment, in order to identify all specific Canadian GAAP and IFRS differences and select ongoing IFRS policies. This is expected to occur in the fall of 2009. Key areas addressed will also be reviewed to determine the impact on internal controls over financial reporting and the impact on business activities including the effect, if any, on compensation arrangements.

The Company will also continue to monitor standards development as issued by the IASB and the AcSB as well as regulatory developments as issued by the Canadian Securities Administrators, which may affect the timing, nature or disclosure of its adoption of IFRS.