

**PLANET EXPLORATION INC.  
THIRD QUARTER SHAREHOLDERS' REPORT  
AS AT DECEMBER 31, 2008**

March 2, 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 and nine months ended December 31, 2008, the audited financial statements for the year ended March 31, 2008 and management's discussion and analysis for the year ended March 31, 2008. 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 program at its Red Lake, Ontario (Sidace Lake) property.

**CORE PROPERTY UPDATE**

**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 by Planet as to 40% and Goldcorp Red Lake Gold Mines, an affiliate of Goldcorp Inc. ("Goldcorp") as to 60% 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 is the operator) and 40% by Planet.

**Brief History**

Since 1998, when Planet first took an interest in the property, 237 diamond drill holes, totalling 85,658 metres of NQ core have been drilled on the Sidace lake joint venture, including 16 holes abandoned for logistical reasons, 17 sidetrack wedges and 6 extensions to previously drilled holes. Initially, drilling was focussed on exploration, following targets located by geophysics, which identified 7 zones of interest within a 2.5 x 3.0 km

area. These are the Main Discovery Zone ("MDZ"), Upper Duck Zone ("UDZ"), Western Duck, Deep Footwall, Far West, Skarn and the Anderson Zones. The following table shows progressive drilling on the property over the years on the Sidace Lake property. Most efforts have concentrated on delineation and evaluation of the MDZ and UDZ as areas of high potential.

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
<b>Totals</b>	<b>237</b>	<b>85,658</b>

### **The Main Discovery Zone ("MDZ")**

We now have a good understanding of mineralization on the MDZ down to 450m, where we have drilled with some intensity, and our probes to 950m below surface show continuing strong mineralization. A total of 96 holes, totalling 34,014m, including sidetracks, have been drilled in the MDZ area since commencement of the project.

The concentration of gold in the MDZ 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 gold in the MDZ follows a complex structure of a distorted open 'Z' fold which tightens with depth. The upper bar of the 'Z' is called the North limb: the diagonal and lower bar comprise the Main limb. To the immediate west of this 'Z' are three lesser bodies, two concentric with the Main limb (Main Hangingwall #1 and #2), and a third (Axial) that bisects the acute angle between the North and Main limbs. The North Limb and the Axial limb dip at steep angles (>75°) to the northwest and west. The Main Limb and its parallels dip, for the most part, vertically, or at very steep angles (>80°) to the west, locally reversing to the east. The entire fold system plunges very steeply north.

Now that the structure is better understood, several gaps in the drilling pattern have been identified. Many of these merely require some infill holes. Other drilling gaps suggest more extensive targets. Near surface, drilling has followed the North limb some 200m west of the axis of the fold, while at depth, the North limb has only been targeted for some 70m west of the fold axis. The strike remains open in this direction, with some geophysical indications that the stratigraphy continues, with minor fault disruptions. To the east of the MDZ, the nearest offset drillhole is some 500m away. The eastern tail of the Main limb of the MDZ has never been followed up by drilling, where there are several aeromagnetic targets in what appears to be the same stratigraphic horizon. All 5 of the constituent bodies of the MDZ are open to depth.

Our most recent drilling targeted the main limb of the MDZ, infilling areas where there are gaps in the drill spacing. The press release of 25rd February 2009 detailed some very satisfying results from 3 holes, totalling

923m, which are set out below:

HOLE NUMBER	KICK OFF POINT m	FINAL DEPTH m	INTERVAL		THICKNESS m	GRADE Au g/t	GRADE Au opt
			FROM m	TO m			
RL07-160	525	741	613.00	614.00	1.00	15.83	0.462
RL07-160A	290	645	545.00	546.00	1.00	3.28	0.096
			552.90	558.00	5.10	2.65	0.077
		includes	555.50	558.00	2.50	4.08	0.119
		includes	555.50	556.50	1.00	3.03	0.089
		and	557.00	557.50	0.50	10.33	0.301
RL07-168A	370	720	512.00	613.00	101.00	2.09	0.061
		includes	513.00	514.00	1.00	4.19	0.122
		and	519.00	520.00	1.00	58.25	1.699
		and	542.00	543.00	1.00	3.47	0.101
		and	544.00	545.00	1.00	3.31	0.097
		and	571.00	572.00	1.00	3.17	0.092
		and	584.00	586.00	2.00	3.25	0.095
		and	587.00	588.00	1.00	3.18	0.093
		and	591.00	592.00	1.00	3.95	0.115
		and	594.00	595.00	1.00	3.55	0.104
		and	604.00	605.00	1.00	5.99	0.175
		and	612.00	613.00	1.00	3.62	0.106

Results from RL07-160C, RL07-168B and RL08-195 and the sidetracks RL08-195A and B, which are all evaluation infills on the MDZ, are still outstanding.

### Upper Duck Zone (“UDZ”)

The UDZ, 1,200m to the southwest of the MDZ, is an entirely separate and different feature. The primary locating feature was originally a robust silicate-sulphide facies banded iron formation, that is garnetiferous, 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. 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.

At least three 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'. The sharp differences in thickness of the iron formation between adjacent holes and some additional repetition, corroborated by a rare exposure uncovered close to the Upper Duck subcrop, showing repeated 'Z' style folding on the meso- to micro- scale, reinforce this interpretation.

The joint venture has now drilled 23,935 metres in 64 holes on UDZ; of which 14 holes, plus 4 sidetrack wedges off 2 of these holes, totalling 8205 metres, were drilled between July 1, 2008 and September 30, 2008. Results from the final 6 of these holes (RL08-191, and sidetracks A and C drilled off it, and RL08-192, RL08-193, RL08-194), totalling 2,142m, were announced in the press release of 25th February 2009. RL08-191 and the 2 sidetracks off it investigated the potential at depth in the heart of the UDZ. Sidetrack RL08-191B was aborted and redirected as RL08-191C because of unacceptable deviation.

HOLE NUMBER	KICK OFF POINT m	FINAL DEPTH m	INTERVAL		THICKNESS m	GRADE Au g/t	GRADE Au opt	
			FROM m	TO m				
RL08-191	0	624	144.00	145.00	1.00	2.36	0.069	
			470.00	471.70	1.70	2.28	0.067	
			includes	471.00	471.70	0.70	4.00	0.117
			514.00	515.00	1.00	2.19	0.064	
			574.00	575.00	1.00	2.33	0.068	
			619.00	623.00	4.00	6.97	0.203	
			includes	619.00	620.00	1.00	19.05	0.556
			and	621.00	622.00	1.00	8.11	0.237
RL08-191A	276	668	591.80	595.50	3.70	1.20	0.035	
			includes	594.00	595.00	1.00	3.80	0.111
RL08-191C	232	585	466.20	468.20	2.00	1.40	0.041	
			474.00	474.50	0.50	2.99	0.087	

The zones at 470.0m in RL08-191, 591.8m in RL08-191A, and 466.2m in RL08-191C are all typical of the UDZ, occurring in, or close to, silicate-sulphide facies banded iron formation, generally associated with characteristic strong arsenopyrite-pyrite-pyrrhotite mineralization. The higher grade zone at 619.0m in RL08-191 is beneath the iron formation, in mafic volcanics, the significance of which is not yet understood.

There are several gaps in the evaluation drilling pattern on the UDZ, most particularly in the shallower areas, where good drill locations are restricted by lake and swamp conditions. These are good targets for infill drilling. Strike potential is limited by dyke intrusives to the east and by faulting to the west, but the deposit is open at depth. The next intersections of encouraging values occur in West Duck 77, some 300m west of the faulted cutoff.

### Other prospects within the claims area

#### Deep Footwall Zone to the MDZ

A distinct essentially tabular body lies well beneath the MDZ, and has been intersected in the following 10 holes which cover a 550m southwesternly strike.

Hole Number	Intersect		Thickness m	Grade g/t
	from m	To m		
RL99-12	386.31	387.31	1.00	7.59
RL03-33	481.00	482.50	1.50	3.03
RL03-35	411.00	413.55	2.55	3.13
Incl	412.00	413.00	1.00	5.04
RL03-37	586.30	587.10	0.80	14.47
RL04-39	804.00	806.00	2.00	11.58
Incl	805.00	806.00	1.00	20.59
RL04-41	260.00	261.00	1.00	3.80
<sup>1</sup> SD-04-01	1,440.50	1,441.50	1.00	6.93
RL08-179	89.00	92.00	3.00	4.27

Hole Number	Intersect		Thickness m	Grade g/t
	from m	To m		
Incl	89.00	90.00	1.00	10.24
RL08-178	305.30	307.30	2.00	2.76
RL08-180	225.20	226.20	1.00	6.42

<sup>1</sup> denotes hole collared from neighbouring Rubicon claim

Gold values in the zone 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.

### Skarn Zone

First discovered in 2004, when following up unrelated geophysical targets to the east of Upper Duck Lake, the Skarn zone lies 1,500m southwest of MDZ. It is very different from both the MDZ and Udz, being a skarn-like assemblage of epidote and garnet in sheared mafic volcanics. The mineralization strikes for over 200m, roughly north and south, with a steep westernly dip, and consists of disseminated pyrite-pyrrhotite-arsenopyrite in which are occasional fine flecks of visible gold. The assays from the 8 holes drilled on this feature are as follows:

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

There is more than one zone, and several gold bearing iron formations which also occur in the area.

### 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 and RL08-182 are particularly noteworthy.

Hole	From m	To m	Grade Au g/t	Thickness m	LITHOLOGY
RL05-77	249.7	251.0	37.08	1.30	IRON FORMATION
RL05-81	33.0	34.0	2.49	1.00	SKARN
RL05-105	20.00	22.75	2.78	2.75	IRON FORMATION

Hole	From m	To m	Grade Au g/t	Thickness m	LITHOLOGY
RL08-181	172.60	173.00	1.57	0.40	PORPHYRY & DIORITE
RL08-182	65.00	68.00	17.07	3.00	IRON FORMATION
RL08-183	356.00	357.00	4.00	1.00	FAULT BRECCIA
RL08-192	NO VALUES OF SIGNIFICANCE				
RL08-193	NO VALUES OF SIGNIFICANCE				
RL08-194	NO VALUES OF SIGNIFICANCE - COMMON FAULT GOUGE				

Additional drilling is required before we can understand this occurrence, and before we can correlate between intersections, because there is evidence of considerable faulting in many of these holes.

### West Duck 84

Located 500m southwest of the above West Duck 77 this was discovered in 2005. 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 are as follows:

Hole	From m	To m	Grade Au g/t	Thickness m	LITHOLOGY
RL-05-84	20.80	21.45	3.04	0.65	SKARN
	134.00	136.00	1.88	2.00	MAFIC VOLCANICS
	179.00	181.00	3.93	2.00	FAULT BRECCIA
	211.48	213.65	1.34	2.17	SKARN
	227.00	228.00	2.68	1.00	PORPHYRY CONTACT
	264.00	265.00	3.04	1.00	PORPHYRY

A closer pattern of evaluation drilling is required before we can understand this occurrence.

### Far West Zone

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.

### Anderson Lake

A concerted effort on and around Anderson Lake was mounted in 2005. Of the 20 holes drilled in that program, 16 were completed, and encouraging values returned in 7 of those holes. Several holes in the program had to be abandoned before they had passed casing point, due to the thick glacial overburden. Follow up work was done early 2008, deepening 3 holes, RL05-94, RL05-103 and RL05-104.

The original program was planned to intersect the strike extension of the ultramafic–mafic package of rocks which underlie the waters of East Bay, Red Lake. This ultramafic package (the East Bay Serpentinite) is the host rock of many of the historically more productive mines and gold occurrences of the Red Lake Mining Camp. The program confirmed the presence of elevated gold values in the ultramafic, most significantly in RL05-89 and RL05-93.

The mineralization identified by all this drilling falls into 2 geographic zones, north and south Anderson. In the north, where drilling met with greater success, there are two distinct modes of occurrence:

- The North Anderson 'Massive' Zone;
- The North Anderson 'B' Zone.

The following are the more significant values returned from all the holes drilled in the Anderson Lake area:

Hole	From m	To m	Grade Au g/t	Thickness m
RL05-83	no	significant	values	
<sup>1</sup> RL05-87	100.00	101.00	5.64	1.00
RL05-88	hole	abandoned		
<sup>4</sup> RL05-89	107.00	158.00	0.76	51.00
<sup>1</sup> RL05-89	222.00	223.00	7.38	1.00
<sup>2</sup> RL05-90	253.00	254.00	2.36	1.00
RL05-91	no	significant	values	
RL05-92	no	significant	values	
RL05-93	48.00	49.00	11.62	1.00
<sup>1</sup> RL05-93	302.00	304.00	9.76	2.00
<sup>3</sup> RL05-94	404.00	407.00	1.30	3.00
RL05-98	no	significant	values	
<sup>2</sup> RL05-99	122.45	125.00	1.81	2.55
<sup>4</sup> RL05-100	126.00	141.00	1.27	15.00
<sup>1</sup> RL05-100	133.00	136.00	2.20	3.00
RL05-100	270.40	271.00	2.57	0.60
RL05-101	hole	abandoned		
<sup>4</sup> RL05-102	161.00	254.00	0.61	93.00
<sup>1</sup> RL05-102	252.00	254.00	11.27	2.00
<sup>3</sup> RL05-103	644.00	645.00	1.39	1.00
RL05-104	40.00	41.00	14.35	1.00
<sup>1,3</sup> RL05-104	212.50	219.50	1.61	7.00
<sup>1</sup> RL06-106	108.80	109.50	3.92	0.70
RL06-110	hole	abandoned		
RL06-111	hole	abandoned		
RL06-113	327.00	328.00	1.10	1.00

<sup>1</sup> denotes intersection interpreted as being in the North Anderson 'B' Zone

<sup>2</sup> denotes intersection in south Anderson

<sup>3</sup> denotes pre-existing hole deepened in spring 2008

<sup>4</sup> denotes intersection interpreted as being in the North Anderson 'Massive' Zone

The drilling produced the following important results:

- the North 'Massive' zone is a low grade deposit in altered mafic volcanics and brecciated haematized porphyry, encountered in 3 drillholes and covers a strike of about 100m
- the North Anderson 'B' Zone is a steeply westernly dipping skarn vein feature that has been followed in 7 holes over a north-south strike length of about 600m.
- the drilling has confirmed the presence of an ultramafic komatiitic core to the synform, coinciding with the centre of Anderson Lake.
- it confirms further that there are significant gold values being returned from these ultramafic bodies (in RL05-89 7.38g/t over 1m at 222m; in RL05-93 9.76g/t over 2m at 302m and 1.61g/t over 3m at

311m and 2.43g/t over 2m at 363m; in RL06-113 1.10g/t over 1m at 327m; in RL05-103 1.39g/t over 1m at 644m; in RL05-100 2.57g/t over 0.6m at 270.4m) which appear to be refolded in this Anderson north area, from detailed aeromagnetics interpretation.

- a refolded fold in the heart of these ultramafics is a similar environment to what has been described at the F2 zone at Rubicon Minerals McFinley Mine property.
- there are also values in the south associated with an iron formation and feldspar porphyry, which have not been adequately followed up.

## **Current operations**

Assay returns are very slow, which is compounded by some logistical problems that have precluded restarting drilling in the new year. Data is currently under full review. A maiden NI 43-101 compliant Independent Technical Report and Mineral Resource Estimate on the property by a Toronto geological consulting house is winding up, and results are expected shortly. On the basis of the recommendations of that report, and on the assessment of the results over the past 6 months, continuous exploration effort is being planned.

## **Summary**

In the last 6 months, detailed study and reappraisal of the data collected in our exploration operations have yielded a better understanding of the property:

- The structure is now much better defined than ever before on the 2 primary foci of attention, the MDZ and UDZ;
- an independent, National Instrument 43-101 compliant, Mineral Resources Estimate on these two bodies will be completed shortly;
- a number of gaps in drilling pattern have been identified, particularly in shallower parts of the UDZ, and in the deeper parts of the MDZ;
- infill drilling in these drill gaps will be included in future drilling;
- the down-dip potential of both the MDZ and UDZ is still open, and holds considerable promise;
- there is unexplored potential to the west on the North limb of the MDZ;
- there is unexplored potential to the east on the east tail of the Main limb of the MDZ;
- exploratory drilling has uncovered several excellent targets for more intensive evaluation drilling, which include:
  - Deep Footwall Zone;
  - Skarn Zone;
  - West Duck 77 and 84;
  - Far West Zone;
  - North Anderson 'Massive' Zone;
  - North Anderson 'B' Zone;
  - North Anderson refolded ultramafics;
  - South Anderson.
- Exploratory drilling by the Joint Venture covers less than 25% of the claims area.

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.

## **Financial Condition**

The financial condition of the Company at December 31, 2008 remains strong. The Company has no debt and working capital of \$5,283,534. The Company utilizes this working capital for expenditures on exploration and general and administrative expenses.

## Selected Financial Information

	3 Months Ended December 31, 2008	3 Months Ended December 31, 2007	% Change	9 Months Ended December 31, 2008	9 Months Ended December 31, 2007	% Change
Interest Revenue	\$39,640	\$86,310	(54)	\$144,083	\$258,430	(44)
General and Administrative expenses	\$169,670	\$116,412	46	\$380,793	\$301,660	26
Stock Based Compensation	\$86,299	\$11,763	634	\$93,577	\$17,497	435
Loss before income Taxes	\$(216,450)	\$(41,975)	(416)	\$(330,650)	\$(61,058)	(442)
Net loss and comprehensive loss	\$(216,417)	\$(48,884)	(343)	\$(330,561)	\$(81,984)	(303)
Loss per share – Basic	\$(0.009)	\$(0.002)	(350)	\$(0.013)	\$(0.003)	(333)
<u>Balance sheet as at</u>		<u>December 31, 2008</u>			<u>December 31, 2007</u>	
Working Capital		\$5,283,534			\$6,642,718	
Mineral Properties		\$5,998,474			\$5,268,022	
Total Assets		\$12,152,706			\$12,550,040	
Shareholders' Equity		\$10,659,156			\$11,040,803	
Weighted number of shares						
Basic		25,319,190			25,262,560	
Diluted		25,319,190			25,413,329	

## Operations Update

During the quarter ended December 31, 2008, the Company drilled 3,054m which comprised one new hole, six wedges and deepening one existing hole.

## Discussion of Financial Results for Third Quarter ended December 31, 2008 compared with the Third Quarter ended December 31, 2007

### Interest Revenue

The Company's only source of income is interest revenue. Interest revenue was \$39,640 for the quarter ended December 31, 2008 compared to \$86,310 in the quarter ended December 31, 2007. This decrease is mainly due to reduced bank interest deposit rates and reduced cash on deposit as a result of our continuing drill program. Average deposits for the quarter ended December 31, 2008 approximated \$6,037,000 compared to \$7,040,000 in the comparative period. The average interest rate received was approximately 2.45% in the three months ended December 31, 2008 compared to 4.70% in the comparative period.

### General and Administrative Expenses

General and administrative expenses for the quarter ended December 31, 2008 were \$169,670, compared to \$116,412 for the quarter ended December 31, 2007. A significant amount of this increase relates to consulting fees paid in respect of a third party geological report commissioned by the Company. The particular level of acquisition and exploration activity has a direct effect on the level of general and administrative costs. Aside from the above, management is not aware of any discernable quarterly trends in expenditure.

### Cash Flow From Operations

Planet used \$135,847 in cash flow from operations in the quarter ended December 31, 2008, compared to \$42,563 for the quarter ended December 31, 2007. This was mainly due to a reduction in interest revenues in the current quarter and an increase in general and administrative expenditures.

### Property Expenditures

The Company's active mineral property is located as follows:

Property	Quarter ended December 31, 2008 \$	Quarter ended December 31, 2007 \$	% change
Red Lake, Ontario (Sidace Lake)	347,116	325,419	6.6

### Stock Options

During the quarter months ended December 31, 2008, 1,150,000 stock options were granted to directors of the Company and 65,000 stock options were granted to consultants of the Company. The fair value of stock options issued during the quarter were estimated using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of nil; expected annualized volatility of 64.63%; risk-free interest rate of 4%; and a life of 4.95 years.

### Related Party Transactions

For the three months ended December 31, 2008, the Company incurred \$20,000 (2007 - \$20,000) 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 plus an additional \$5,000 for the month of December, 2008.

For the three months ended December 31, 2008, the Company incurred \$20,000 (2007 - \$20,000) in director's fees from Darold H. Parken, a director of the Company. These fees were billed at a monthly rate of \$5,000 plus an addition of \$5,000 in monthly director's fees for the month of December, 2008. These amounts have been included in general and administrative expenses.

For the three months ended December 31, 2008, the Company incurred \$26,000 (2007 - \$nil) in director's fees from Salim Jivraj, a director of the Company. The Company also incurred \$nil (2007 - \$22,500) in consulting fees related to accounting matters from a company in which Salim Jivraj, director of the Company, is the principal shareholder. These fees have been included in general and administrative expenses and were paid at a fixed monthly rate of \$7,000 plus an addition of \$5,000 in monthly director's fees for the month of December, 2008. The Company also incurred \$nil (2007 - \$4,500) in accounting fees from the director. These fees have been included in general and administrative expenses.

For the three months ended December 31, 2008, the Company incurred \$22,141 (2007 - \$14,700) in geological and consulting fees from a company in which Adrian Mann, an officer and director of the Company is the principal shareholder. Of this amount, \$19,141 (2007 - \$14,700) has been capitalized to mineral properties with the remainder included in general and administrative expenses.

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.

Accounts payable includes a total of \$23,848 (2007 - \$41,676) owing to related parties.

### **Discussion of Financial Results - Nine Months ended December 31, 2008 compared with the Nine Months ended December 31, 2008**

#### Interest Revenue

The Company's only source of income is interest revenue. Interest revenue was \$144,083 for the nine months ended December 31, 2008 compared to \$258,430 in the nine months ended December 31, 2007. This decrease is mainly due to reduced bank interest deposit rates and a continuing drill program. Average deposits for the nine months ended December 31, 2008 approximated \$6,215,000 compared to \$7,042,000 in the comparative period. The average interest rate received was approximately 2.92% in the nine months ended December 31, 2008 compared to 4.64% in the comparative period.

## General and Administrative Expenses

General and administrative expenses for the nine months ended December 31, 2008 were \$380,793 compared to \$301,660 for the nine months ended December 31, 2007. A significant amount of this increase relates to consulting fees paid in respect of a third party geological report commissioned by the Company. The particular level of acquisition and exploration activity has a direct effect on the level of general and administrative costs. Aside from the above, management is not aware of any discernable quarterly trends in expenditure.

## Cash Flow From Operations

Planet used \$244,426 in cash from operations in the nine months ended December 31, 2008, compared to using \$53,728 in cash from operations for the nine months ended December 31, 2007. This was mainly due to a reduction in interest revenues in the current period and an increase in general and administrative expenditures.

Planet has not commenced mineral producing activities.

The Company drilled a total of 12,780m during the nine month period ended December 31, 2008. This comprised fifteen new holes, ten wedges and deepening five existing holes.

## Property Expenditures

The Company's active mineral property is located as follows:

Property	Nine months ended December 31, 2008 \$	Nine months ended December 31, 2007 \$	% change
Red Lake, Ontario (Sidace Lake)	910,727	867,612	5.0%

## Stock Options

During the nine months ended December 31, 2008, 1,150,000 stock options were granted to directors of the Company and 65,000 stock options were granted to consultants of the Company. The fair value of stock options issued during the quarter were estimated using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of nil; expected annualized volatility of 64.63%; risk-free interest rate of 4%; and a life of 4.95 years.

## Related Party Transactions

For the nine month period ended December 31, 2008 the Company incurred \$50,000 (2007 - \$50,000) in director 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 plus an additional \$5,000 for the month of December, 2008.

For the nine months ended December 31, 2008 the Company incurred \$50,000 (2007 - \$50,000) in director fees from Darold H. Parken, a director of the Company. These fees were paid at a monthly rate of \$5,000 plus an additional fee of \$5,000 for the month of December, and have been included in general and administrative expenses. The Company also incurred \$nil (2007 - \$6,750) in consulting and administrative fees from a company controlled by Darold H. Parken. Prior period fees were billed at a monthly rate of \$2,250, and had been included in general and administrative expenses.

For the nine months ended December 31, 2008 the Company incurred \$68,000 (2007 - \$30,000) in director 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 plus an additional fee of \$5,000 for the month of December. The Company also incurred \$nil (2007 - \$32,500) in consulting fees from a company in which Salim Jivraj, director of the Company is the principal shareholder. These fees have been included in general and administrative expenses. Prior period fees were billed at a monthly rate of \$5,000, and had been included in general and administrative expenses. The Company also incurred \$nil (2007 - \$4,500) in accounting fees from Salim Jivraj, a director of the Company. These fees have been included in general and administrative expenses.

For the nine months ended December 31, 2008 the Company incurred \$53,524 (2007 - \$61,105) in geological consulting fees from a company in which Adrian Mann, an officer and director of the Company, is the principal shareholder. Of this amount, \$50,524 (2007 - \$61,105) have been capitalized to mineral properties with the remainder included in general and administrative expenses.

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.

Accounts payable includes \$23,848 (2006 - \$41,676) owing to related parties.

#### Summary of Quarterly Results

<b>Quarter Ended</b>	December 31, 2008 \$	September 30, 2008 \$	June 30, 2008 \$	March 31, 2008 \$	December 31, 2007 \$	September 30, 2007 \$	June 30, 2007 \$	March 31, 2007 \$
Interest revenue	39,640	49,595	54,848	71,721	86,310	90,023	82,097	84,372
Net and comprehensive income (loss)	(216,417)	(55,345)	(58,799)	(369,094)	(330,561)	(37,019)	3,920	321,374
Earnings per share – basic and diluted	(0.009)	(0.002)	(0.002)	(0.015)	(0.013)	(0.001)	0.001	0.013

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 lower over the previous eight quarters resulting in decreasing interest revenues. As at December 31, 2008 a 1% change in interest rates would affect the revenue derived from cash and cash equivalents by approximately \$60,000 on an annual basis.

#### Liquidity

The Company has a working capital balance of \$5,283,534 as at December 31, 2008. Planet also 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.

In the management of capital, the Company includes shareholders' equity (excluding accumulated other comprehensive income (loss), cash and cash equivalents and marketable securities in the definition of capital. 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.

### 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.

### 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 Properties

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 ( 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	2,327,500 Stock Options

#### Changes in Accounting Policies Including Initial Adoption

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"). On March 31, 2009, Planet will be required to provide a preliminary disclosure of policy impacts upon adopting 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 impacts on the consolidated financial statements, but assumes this evaluation will have no impact on the expected adoption date.