



Cluff Resources Pacific NL

ABN 72 002 261 565

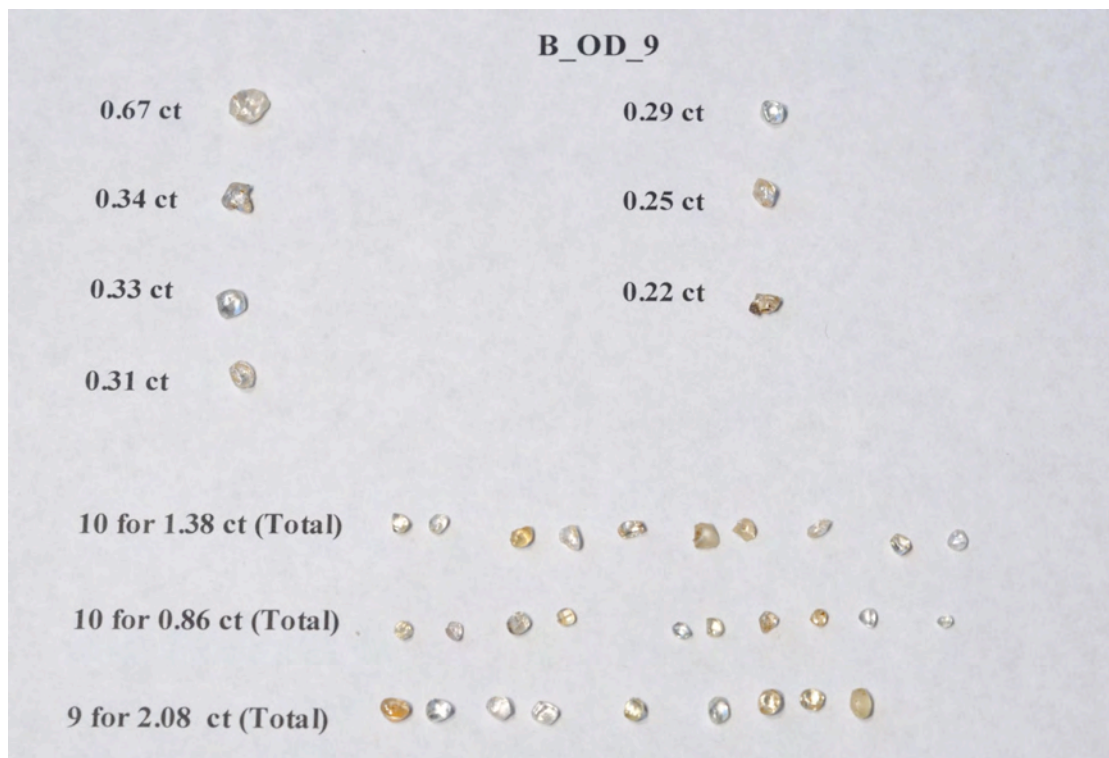
9 June, 2009

The Manager (Companies),
Australian Stock Exchange,
Sydney

Dear Sir,

THIRTY SIX DIAMONDS RECOVERED FROM OPEN CUT MINE, BINGARA

Thirty six gem quality diamonds have been recovered from an 112.9 tonne bulk sample (B OD 9) from the former diamond open cut near the 1890s processing area of the Australian Diamond Mining Company. Total weight of diamonds was 6.73 carats.



This open cut forms a depression cut into the top of a low rise. The diamonds occur in a clay rich debris flow or hot spring deposit containing bedrock fragments, and small rounded jasper pebbles at the base.

These rocks have been extensively extracted in the past, and large quantities of barren backfill (demonstrated by the presence of rail tracks beneath backfill) and basement rocks were necessarily included in the sample, resulting in a non-systematically taken sample, from which a grade cannot be calculated.

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Small pieces of blue & red sapphire and small pieces and flakes of gold were also recovered on the grease table.

Location is 0256469E 6692337N (GDA 95). Eight out of ten 2mm tracers were recovered.



B OD 9 Wall at western edge of excavation

Sampling was by excavator. The samples were trucked to Copeton for crushing to 10 mm, processing was through the Company's trommel and jig plants, using a screen size of 1.2 mm. Separation from concentrate was by grease table.

Diamond Drilling Resumes

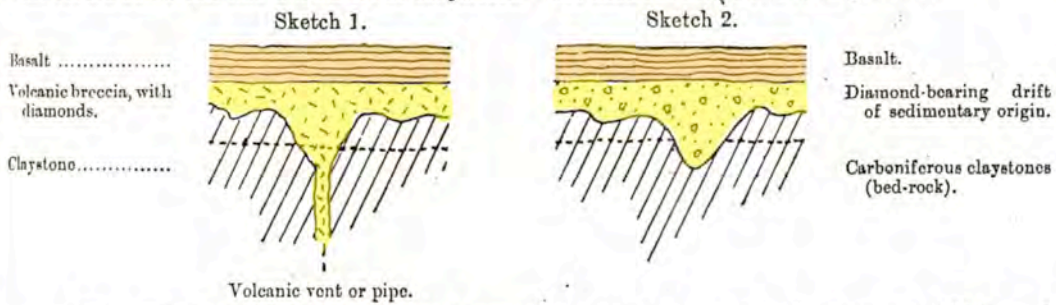
In order to resolve a hundred year old mystery, our drilling rig has commenced coring close to the 154 feet (47 metre) deep shaft sunk by the Australian Diamond Mining Proprietary Company Limited in the early 1890s.

In 1897 local miners, some with South African experience, considered they were tunnelling within a "pipe", and "a petition signed by all local respectable professionals, business people, miners and labourers was sent to our local member (Mr S. W. Moore) for presentation to the Minister for Mines, to send a competent man up to report on the diamond pipe on the Australian D. M. Coy.'s ground" (Australian Mining Standard, 1897). The Mines Department's reply is shown in the figure below.

The hole aims to determine, in modern terms, the nature of this material, reported by the Mines Department to be carrying diamonds.

The cores recovered will be investigated for indicator minerals that may have originated within the earth's mantle under similar pressure and temperature conditions to diamonds, indicating that the rocks containing them have potential to also carry diamonds.

I was shown the supposed pipe in the side of the mine workings. Sketch No. 1 represents what is to be seen according to the discoverers. Sketch No. 2 is the explanation which I have to offer concerning the phenomenon. The dotted line shows approximately the position of the bottom of the workings, and what occurs below this line is a matter of conjecture. The sketches are of course diagrammatic.



The so-called volcanic breccia or lava I found to be largely composed of waterworn pebbles and sand. I would suggest that the true character of the "pipe" could be quickly made evident by sinking down a few feet at its point of emergence.

As mentioned in the report above, a shaft was sunk to a depth of 154 feet upon the property, and upon a subsequent visit I inspected a drive which had been driven at a depth of 100 feet with a view of intercepting the supposed pipe. This drive throughout its whole length was in sedimentary rock (claystone), and no volcanic material of any kind had been encountered in it.

J.B.J.

Scanned Extract from NSW Mines Department Annual Report, 1897
(Author: John B. Jaquet, Geological Surveyor)

The information in this report that relates to exploration results is based on information compiled by Peter John Kennewell, who is a corporate member of the Australasian Institute of Mining and Metallurgy included in a list promulgated by the ASX from time to time. Peter John Kennewell is a full time employee of Cluff Resources Pacific NL and has sufficient experience which is 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, Identified Mineral Resources, and Ore Reserves". Peter John Kennewell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Yours faithfully,

Peter Kennewell,
Managing Director