

ASX and MEDIA RELEASE

Wednesday 27th April 2011

APPROVALS RECEIVED FOR VATOVORONA GOLD PROJECT OPERATIONS

Cluff Resources Pacific NL (Cluff) announces today Cluff Resources Pacific NL (Cluff) announces today it has received government approval to commence its initial open pit on the Vatovorona Gold Project, located on exploitation licence 39110 in central Madagascar.

The operator of the project, Varun Cluff International SARL (VCI) has received a preliminary environmental approval to permit the Stage 1 activities of constructing an access track to the proposed pit site, excavate the exploratory pit, and all initial ancillary requirements such as locating a camp and accommodation on the site.

VCI has engaged an environmental consultant to complete a more comprehensive study (EIE) for submission and final approval. This EIE will focus on both physical and cultural impacts of the proposed development. Cluff and its joint venture partner have been engaged in positive dialogue with the local communities for some time now. Chairman Peter Ashcroft will again be in Madagascar in late April, and will be visiting the local administrators and local villagers as part of this program. Cluff is committed to undertaking all developments in a socially responsible and sustainable manner, and will be seeking to employ as many local workers as possible.

Mr Ashcroft said "We are planning for this project to extend for many years and the co-operation of the local communities, both those in the immediate vicinity and those in more regional areas is extremely important. We are discussing with local leaders how we can assist their communities now and into the future."

Cluff has confirmed to Ambol, the mine construction company who will be undertaking the work on the permit, that work may now commence.

The joint venture provides for a production share of all gold produced on the permit of 35% to Cluff and 65% to Varun.

The permit is held by Varun Madagascar on behalf of VCI of which 35% is held by Cluff.

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Yours faithfully,

Scott Enderby, Company Secretary / Executive Director