



Cluff Resources Pacific NL

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ASX and MEDIA RELEASE

Tuesday, 1st February 2011

MADAGASCAR GOLD



Cluff Chairman Peter Ashcroft taking field notes on the licence on Saturday 22 January 2011

Peter Ashcroft was present when the sample was collected and he arranged for a 1.5 kg sample to be crushed and panned on Saturday 22 January 2011 and witnessed the production of 6 grains of gold from this small sample.

Cluff Resources Pacific NL (Cluff) announces today it has completed the collection of 450 kg of sample material from its exploitation permit (**Production licence 39110**) in Madagascar for testing and analysis at ALS and Gekko Mineral Services in Australia.

The majority of the sample was extracted from one location, but directly from the gold bearing quartz veins which outcrop along a strike line of over 4 kilometres within the licence.



The small test sample being panned on the permit

Cluff is enormously encouraged by this preliminary result. ALS will be undertaking a full mineral analysis of its samples as will Gekko who will also be providing a report on the ideal processing plant for the nature of the gold in the deposit. We anticipate the results of the analysis will be available by the end of February.

Cluff is proceeding to undertake a trenching program to expose the gold bearing quartz veins over a 100 to 150 metre track. The sample was taken from the top 10 metres of the quartz vein, thus indicating the ability to operate an open cut mine on the permit. We propose that this trenching program will commence in early April 2011, after the conclusion of the wet season in Madagascar.

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

The permit is held by Varun Madagascar on behalf of the new joint venture operating company Varun Cluff International SARL of which 35% is held by Cluff.

Stages 1 and 2 of the joint venture agreement have a budget of US\$3,400,000, of which Cluff must fund 75%. Thereafter it is intended that future funding will be by way of non-recourse loans to the venture.

For further information contact:

Scott Enderby on Phone (02) 9247 2277 or Peter Ashcroft on (02) 9233 2153 or 0418 275 375

Email: Cluff@bigpond.com

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Scott Enderby', with a long horizontal flourish extending to the right.

Scott Enderby,
Company Secretary / Executive Director