Cluff Resources Pacific NL

ABN 72 002 261 565

13 July, 2006

The Manager (Companies),
Australian Stock Exchange, Sydney

Dear Sir,

CLUFF EXERCISES OPTION TO ENTER A JOINT VENTURE AGREEMENT OVER THE EGERTON-GORDON GOLDFIELD, VICTORIA

The Company advises that it has exercised its option to enter a joint venture over the Egerton-Gordon Goldfield, 20 km east of Ballarat in Victoria. The Egerton Goldfield had produced 770,000 ozs of gold by 1903, with the larger mines closing around 1904.

The JV, with Tech-Sol Resources Pty Ltd, enables Cluff to earn a 51% interest in EL 4574, MIN 5421 and EL 4844. Included in the project is MIN 4422 in which Cluff will earn a right to the production. The cost of exercising the option has totalled $190,000, including option fee of $100,000, purchase of EL 4844 and a data package for $50,000, and agreed costs and technical studies during the option period totalling about $40,000.

The initial requirement of the joint venture is for Cluff to spend $350,000 within two years to earn a 51% interest in the project. Cluff may then proceed to acquire a further 24% of the tenements by expending an additional $1.65 million.
Tech-Sol will be granted a 2.5% net smelter royalty from all gold production.

Initial investigations and planning for a drilling program is under way, with a three dimensional model of the formerly producing reef being investigated for drill targets, and field investigations of over twenty former shallow gold mines in progress. Several of these extended many hundreds of metres, and were reported by William Bradford of the Victorian Department of Mines in 1903 to be "gold bearing" over widths in excess of ten metres.

For further information contact:
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Yours faithfully,

Peter Kennewell,
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