

# Cluff Resources Pacific NL

ABN 72 002 261 565

21 February, 2007

The Manager (Companies),  
Australian Stock Exchange,  
Sydney.

Dear Sir,

## **RUBY PROJECT: MODIFICATION OF CONSENT NOT APPROVED BY GLOUCESTER COUNCIL**

The Company's application for an extension to Mining Area 11 was rejected today at a meeting of Gloucester Shire Council, by a vote count of six to three.

The area applied for consists of a 200 metre by 200 metre cleared grazing paddock with no trees present and is located over 300 metres distant from the river. It is an extension to the area currently being mined on the Gloucester Ruby Project and previously approved by both the Gloucester and Upper Hunter Shire Councils and all relevant State Government authorities.

The decision forces the Company to continue its ruby mining onto its Mining Area 2A, which extends to within ten metres of the river banks and was previously approved by the Gloucester and Upper Hunter Shire Councils.

Cluff's excellent environmental record at the mine since small-scale mining commenced in late 2004 entitled it to this extension, and despite this, the Council has failed in its duties in refusing to grant the extension.

The Company has over this period consistently complied with every consent authority condition, the terms of its Environmental Protection Licence, as well as its own stringent environmental targets. As such, the Company believes there was no valid scientific or environmental reason for the modification of consent to be rejected. This was further confirmed in a report by the Council's own Director of Planning and Environment which recommended the request for modification be approved. The Company believes that the reasons for rejection given by the Councillors were primarily politically motivated, and on this basis will be reviewing our options to appeal the decision to the Land and Environment Court.

The existing Development Consent for the Ruby Mine is still current, however, with the Company able to continue mining in the previously-approved Mining Areas 11, 2A and 4.

For further information contact:

Scott Enderby on Phone (02) 9482 4655

Email: [Cluff@bigpond.com](mailto:Cluff@bigpond.com) or

Peter Kennewell on Phone (02) 9482 4655

Yours faithfully,



Peter Kennewell,  
Managing Director

**Registered Office**  
1/30 Leighton Place  
Hornsby NSW 2077  
Australia

**Postal Address**  
Locked Bag 3355  
Hornsby NSW 2077  
Australia

**Tele-Communications**  
Tel (612) 9482 4655  
Fax (612) 9482 4987  
Internet [www.cluff.com.au](http://www.cluff.com.au)