

Tuesday 6th November, 2007

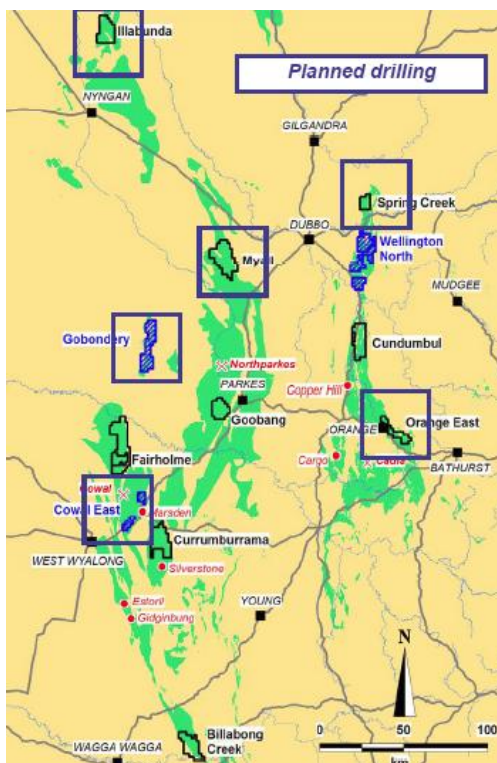
Clancy Exploration Ltd

CLY Last \$0.280 52wk Hi-Lo: \$0.285-\$0.100 26.5M fpo (+21.3M restricted)

Speculative Buy

Market Cap: \$13M

- Clancy joined the boards of the ASX on 11-Jul-07 after raising \$5M.
- It was effectively spun out of TSX-V-listed Geoinformatics, which is its major shareholder (48%). CLY's Top 20 hold 75% of the issued capital.
- CLY is seeking porphyry copper-gold targets in NSW's Lachlan Fold Belt ("LFB"), and base metal / tin deposits in north-western Tasmania.
- Its projects are grass roots exploration projects, but it offers investors improved chances of success through use of the probabilistic targeting methodology that was developed by Geoinformatics.
- The technique rates all the parameters understood to contribute to the emplacement of, and to indicate the presence of, a mineralised body.
- All available data covering the target area is then systematically processed to create a list of targets with aggregate prospectivity "ratings". Known orebodies are included for comparative reference.
- CLY targeted the LFB due to the proven existence of large porphyry copper-gold orebodies:



- **Ridgeway:** 315koz Au, 38kt Cu in 2007;
- **Cadia:** 250koz Au, 23kt Cu in 2007;
- **Northparkes:** 95koz Au, 80kt Cu in 2007.
- The Cadia Valley's metal endowment stands at >35Moz Au and >4.9Mt Cu and is still growing.
- This represents more than 30 years of production.
- It is the possibility of discovering another such deposit that makes the CLY projects so attractive.
- Also the LFB has low environmental, political and title risks compared to many Australian states.
- CLY's advantages over other junior explorers:
 - Multiple targets in quality exploration terrane;
 - Experienced team with relevant expertise;
 - Innovative scientific targeting methodology;
 - Proven record of success with the technique;
 - Great leverage to exploration success;
 - High level of exploration activity;
 - Frequent, regular news flow anticipated;
 - Strong cash balance.
- Clancy's 17 LFB ELs comprise 12 100%-owned projects, 3 of which are in JV with Gold Fields.
- Geophysics and/or drilling is underway on most.
- Clancy also has 12 ELs in Tasmania's Mt Read Volcanic Belt. Bass Metals is earning a 75% stake in 7 of Clancy's project areas (CLY free carried).

- The target selection technique has already recorded successes in the USA and Tasmania.
- In USA, drilling intersected virgin mineralised systems on 10 of 11 targets identified by the process.
- Recent drilling successes in Tasmania resulted from targets identified by Geoinformatics' process.

CLY offers investors quality exploration programs with significant upside potential over 6-12 months.

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