

MORE POSITIVE DRILLING RESULTS FOR CLANCY AT EUROWIE

Clancy Exploration Limited (**ASX: CLY**) is pleased to announce that the remaining results from diamond drill hole WYACD001 at the Eurowie prospect have been received and a second broad zone of anomalous sulphur has been outlined at depth.

The Eurowie prospect is Clancy's freshly named discovery within the Cowal East project. Located east of the Cowal Gold Mine (Barrick) and west of the Marsden copper-gold prospect (Newcrest), the Cowal East project is considered prospective for similar style deposits.

Previously reported results from the first diamond hole into the Eurowie prospect had identified a large mineralised hydrothermal system, with 566m of altered pyrite-chalcopyrite bearing rocks with abundant pyrite. Results for the top 388m of the hole returned an intercept of 100m @ 2.55% sulphur from 246m, including 4m @ 0.35% copper and 1.99g/t silver from 290m, and 2m at 0.18% copper and 2.06g/t silver from 325m.

Results for the bottom part of this hole (388m to 645.9m) have now been received and a second broad zone of anomalous sulphur has been identified. The high sulphur content is due to the abundant pyrite mineralisation, with broad zones of sulphur > 1% defining the pyrite halo around discrete zones of elevated copper, silver and molybdenum (Table 1). The results for the interval 388m to 645.9m include:

192m at 3.44% sulphur from 388m including:

12m at 0.09% copper, 1.42g/t silver and 33.6ppm Molybdenum from 390m
1m at 1.49% copper, 7.24g/t silver and 109.5ppm Molybdenum from 405m
1m at 0.22% copper and 1.44g/t silver from 405m

Clancy's Managing Director, Mr Mark Stewart, said that the results demonstrate the considerable scale of the mineralised system at Eurowie.

"The sulphur grade is increasing downhole and this trend, along with the anomalous molybdenum within discrete zones in the bottom half of the hole, suggests that we may be getting closer to the core of the system. The hole ended in sulphur mineralisation, so the system is open at depth as well as along strike," said Mr Stewart.

A second diamond hole, WYACD002, was collared 190m to the northwest of WYACD001 and drilled to a depth of 543.7m. Results for this hole are awaited. Magnetic and gravity surveys have also recently been completed, which will assist in mapping out the system.

"We are processing the geophysical and geochemical data right now and we will use this to plan follow-up diamond drilling. We have also mobilised an aircore rig to site to flesh out the Eurowie system a bit more, and we will also use this rig to follow-up the Bimbella target further to the north. We are now on the hunt for the mineralised core of the Eurowie prospect," said Mr Stewart.

-ENDS-

Please direct enquiries to:

Mark Stewart
 Managing Director
 Tel: +61 8 9481 8241
 Email: info@clancyexploration.com

Shane Murphy
 Porter Novelli
 Tel: +61 8 9386 1233
 Mob: +61 (0)420 945 291

Web: www.clancyexploration.com

Table 1 – Eurowie diamond drilling results

Hole	East	North	Total Depth (m)	From (m)	Interval (m)	S (%)	Cu (%)	Ag (g/t)	Mo (ppm)	
WYACD001	539,450	6,255,447	645.9	246	100	2.55				
			<i>including</i>	271	6	2.87	0.07	0.65	-	
			<i>including</i>	282	2	2.96	0.07	0.69	-	
			<i>including</i>	290	4	1.94	0.35	1.98	-	
			Previously reported	<i>including</i>	297	8	2.79	0.06	0.63	-
			<i>including</i>	325	2	3.93	0.18	2.06	-	
			<i>including</i>	330	6	2.51	0.06	0.74	-	
			<i>including</i>	341	2	1.97	0.12	1.17	-	
New results				388	192	3.44				
			<i>including</i>	390	12	2.33	0.09	1.42	33.6	
			<i>including</i>	405	1	4.10	1.49	7.24	109.5	
			<i>including</i>	409	2	4.04	0.08	0.83	-	
			<i>including</i>	417	6	4.57	0.08	0.79	-	
			<i>including</i>	536	7	3.98	0.07	0.52	-	
			<i>including</i>	579	1	1.60	0.22	1.44	7.6	
				588	3	1.31	0.10	0.39	8.3	
	594	11	1.84	0.08	0.36	-				
	620	25.9	3.01	-	-	-				

Note – The above intercepts are based on one metre samples of half sawn NQ diamond core from hole WYACD001. Results down to 388m depth were reported previously. Intercepts are based on 1% sulphur (S) cutoff with no more than two contiguous metres of internal dilution. Italicised text refers to sub-intervals, which are based on a minimum one metre interval at a 0.05% copper (Cu) cutoff with no more than two contiguous metres of internal dilution. The samples were analysed by ALS Orange for gold by fire assay / AAS finish (method code Au-AA22), and for the other elements by ALS Brisbane by four acid digest ICP AES/OES (method code ME-MS61). Standards and duplicates are inserted into the sample stream to monitor laboratory performance.

Cowal East Project (including Eurowie prospect)

Located east of the Cowal Gold Mine (Barrick) and west of the Marsden copper-gold prospect (Newcrest), the Cowal East project is considered prospective for similar style deposits. The Cowal gold deposit is a low-sulphidation carbonate-base metal gold system with an endowment of >4.5M oz of gold. Marsden is a porphyry copper-gold prospect that is currently being drilled out to resource status. Marsden has an inferred resource of 1,100,000 oz of gold, 640,000 tonnes of copper and 9,100 tonnes of molybdenum and has yielded recent drilling intercepts such as 171m @ 0.82g/t gold and 0.7% copper. Gold Fields Australasia Pty Limited is earning an 80% interest in Cowal East by spending \$1 million over 3 years.

Clancy Exploration Limited
 57 Havelock Street, West Perth WA 6005
 Telephone: (08) 9481 8241
 Facsimile: (08) 9226 1299
www.clancyexploration.com
info@clancyexploration.com

About Clancy

Clancy Exploration (ASX: CLY) is an Australian-focused copper, gold and base metals explorer. Although a relatively new listing on the ASX (July 2007), the Company's portfolio has been built up over a number of years and consists of highly prospective copper-gold projects in the Lachlan Fold Belt of NSW and base metal projects in the Mount Read Volcanic Belt of Tasmania.

Full details of Clancy's projects can be found at the website - www.clancyexploration.com/news/news.html

Clancy's competitive advantages include having one of the largest ground positions of any explorer in the prospective Macquarie Arc (>2035km²), and the innovative use of digital geological and geophysical data in probability based targeting.

The Company's objective is to advance its properties to a stage of commercial development by applying faster, less expensive and more reliable analytical methods to resource exploration. The exploration activities are well-funded, applying Clancy's funds and those of its joint venture partners, and substantial upside exists with the potential addition of resources.

Additionally, Clancy has established joint ventures with Gold Fields Limited on three projects in NSW (managed by Clancy) and with Bass Metals Limited on the Tasmanian tenement package (managed by Bass Metals). Clancy, in conjunction with its JV partners, has spent significant funds on the projects to date, with a combined \$7.4 million to be spent on the Company's tenement package over the two years from date of listing.

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Gordon Barnes who is a Member of the Australian Institute of Geoscientists. Mr Barnes is a full-time employee of Clancy Exploration Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Gordon Barnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.