

ASX: CLY



Clancy Exploration Limited Annual General Meeting Presentation

**Gordon Barnes
Exploration Manager
Clancy Exploration Limited**

**Perth, WA
May 30 2008**

Introduction



Corporate snapshot

Exploration strategy and project portfolio

Highlights

Projects

Wrap up

Corporate Snapshot



Capital structure

Ordinary shares on issue	47.8M
Options	5M
Escrowed ordinary shares (July 09)	44.7%

Top shareholders (30/04/2008)

Founders, directors & associates	49.5%
Geologic Resource Fund	7.8%
Arnold & Ruth Getz	4.9%
Top 20 holding	75.6%

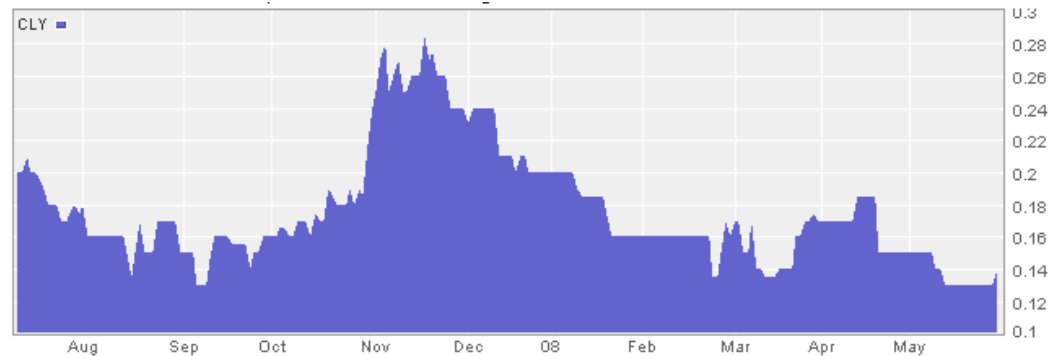
Board and management

Dr James Macdonald	Chairman
Mark Stewart	Managing Director
Dr Nick Archibald	Non-exec Director
Mark Lester	Non-exec Director
Gordon Barnes	Exploration Manager
Rowan Caren	Company Secretary

Share price performance (ASX: CLY)

12 month high	\$0.29
12 month low	\$0.10
Current share price (29/05/2008)	\$0.14
Current market capitalisation	\$6.7M

Share price since listing



Two year exploration spend – \$7.4M

Cash in bank (30/4/2008) – \$3.5M

Exploration strategy



All-of-belt approach that rigorously integrates all regional data

Apply state-of-the-art targeting techniques – probabilistic approach

- Reduces exploration cost and risk
- We know exactly where we want to be and where we don't want to be

Assemble the best regional ground position and explore it effectively

- Exceptional focus on highest ranked targets
- Follow-up or move on

Aggressive target monitoring

- We are ready when competitor's tenements lapse
- Enables us to increase holdings in a competitive environment

Clear strategy and mandate to systematically test the targets

- Aim to test 15-20 targets per annum, sustained over 3-4 years
- Drastically improve the odds of discovery

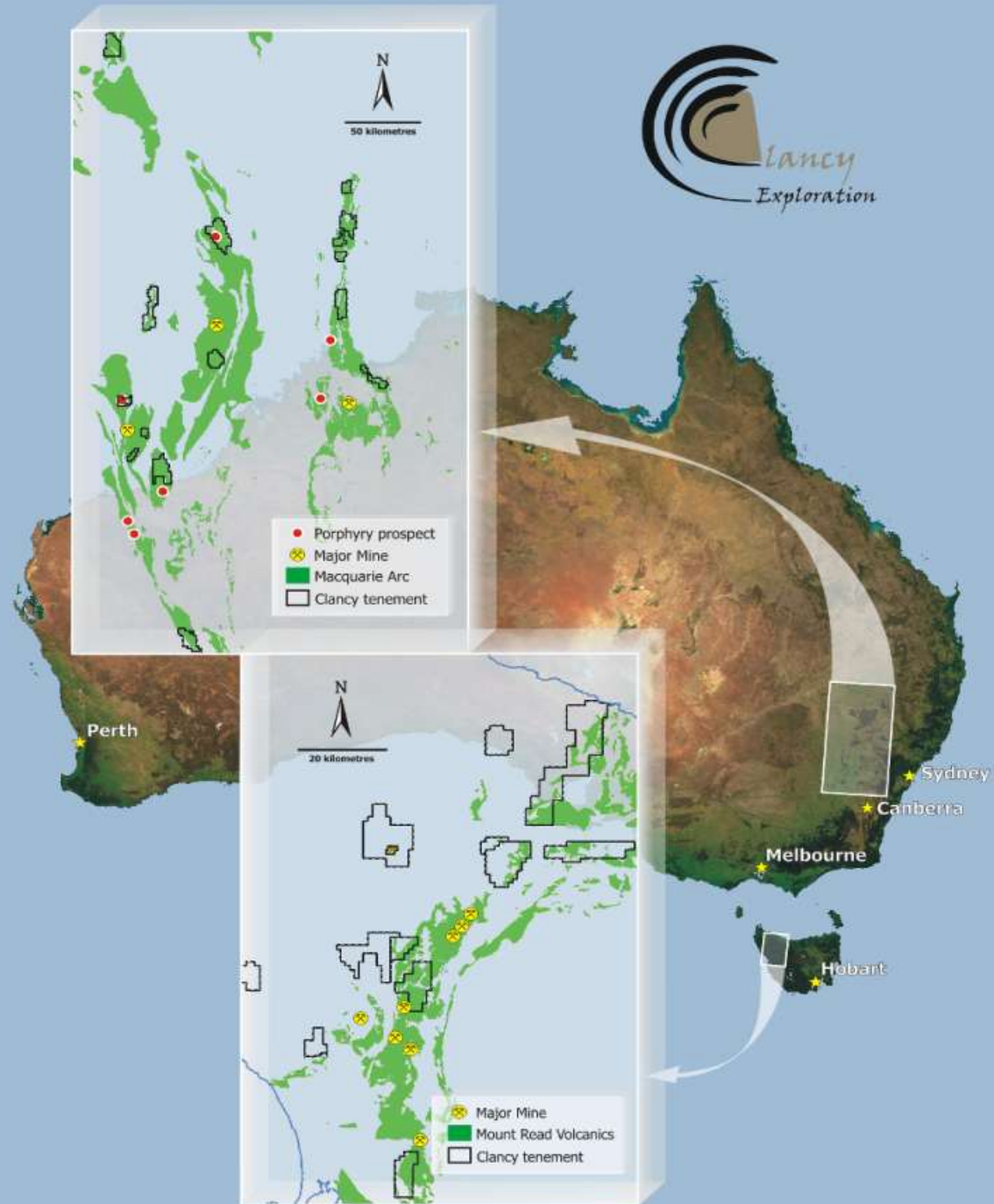
Project Portfolio

Lachlan Fold Belt – NSW

- Macquarie Arc
- 17 EL's and 1 ELA – 1933 km²
- 12 projects
- 3 JV's with Gold Fields

Mt Read Volcanic Belt – Tasmania

- 12 EL's – 732 km²
- 7 projects
- JV'd to Bass Metals



The Target in the Macquarie Arc

The Macquarie Arc – a richly endowed terrain:

- Ordovician porphyry copper-gold and related deposits
- Gold endowment >45Moz and growing
- Copper endowment > 6Mt and growing
- Big systems discovered in the last 15 years

Recent discoveries and active exploration projects:

- Monza (Goldminco) 100m @ 1.0g/t Au 1.42% Cu
- Marsden (Newcrest) 171m @ 0.82g/t Au, 0.7% Cu

Cadia – Ridgeway (Newcrest):

- Cadia Valley Operations >30 year mine life
- >970,000 oz gold and >101,000 t copper per annum



Highlights



Clancy listed on the ASX on 11 July 2007 (ASX symbol CLY)

A rigorous, risk-managed approach to targeting – quality pipeline of targets that are prioritised and ranked

Aggressively exploring the targets – 30,000m drilling program underway and extensive ground geophysical survey program nearing completion

Testing commenced on 14 targets to date (17 forecast by the end of 2008)

- Large mineralised hydrothermal alteration system identified at Cowal East
- Promising geophysical targets identified at Wellington North and Cundumbul

Expanded the Orange-based exploration team – 3 geologists, 2 field techs

Exploration budget is well-funded: ~\$7.4M exploration spend over two years from listing

Good news flow as drilling results are received

Aggressively exploring the targets

Target evaluation (A-Class targets)

Total targets on current leases:	24
Forecast testing in 2007/08:	17
Testing commenced since IPO:	14

Summary of other work completed

Soil sampling:	1,286 samples
Spectral logging:	11,828 spectra

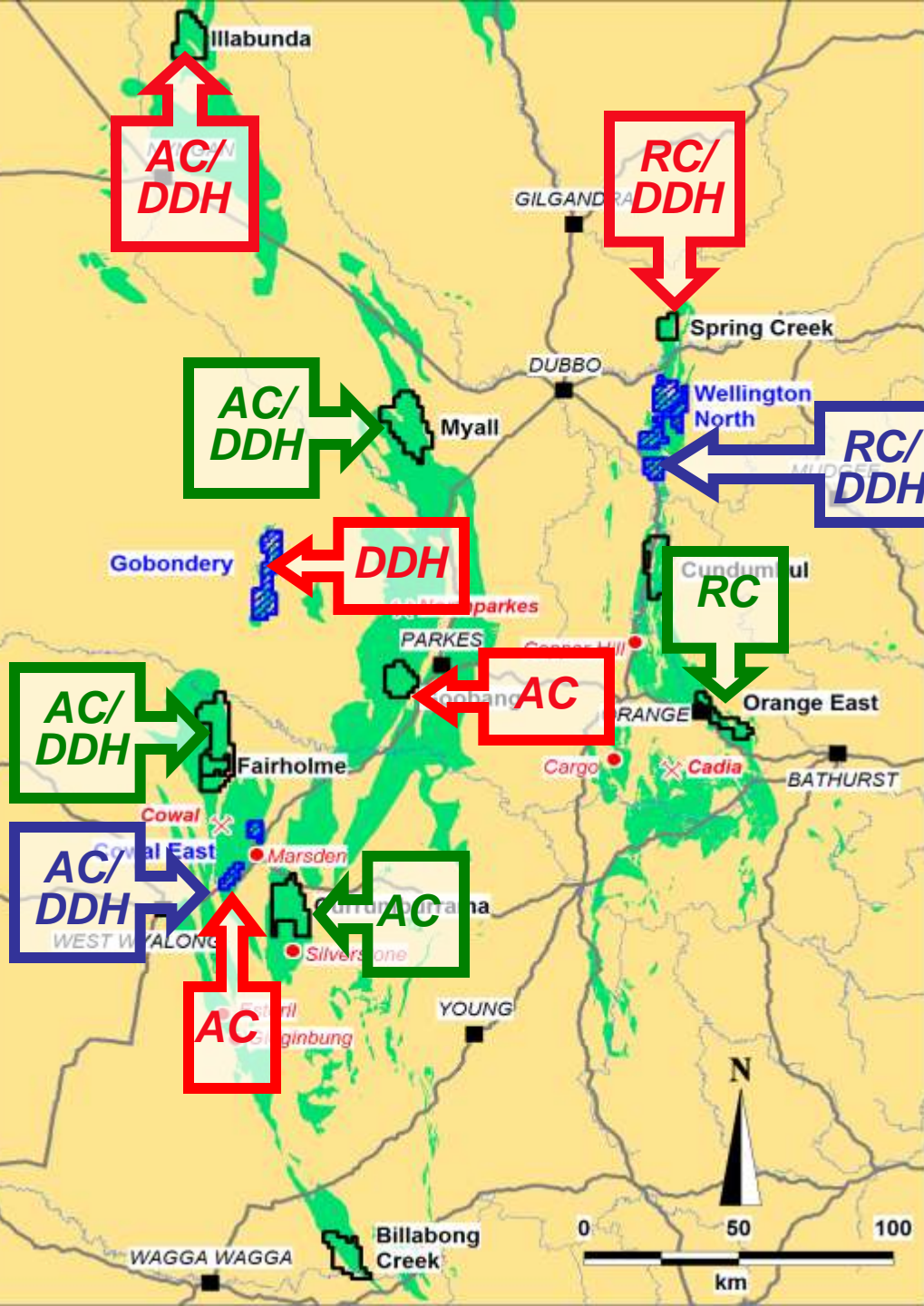
Drilling	Targets	m
Aircore:	2	4,361
Diamond:	3	1,175
RC:	3	1,000
Total (since IPO)	8	6,536

Induced Polarisation surveys (IP)

Type	Targets	Amt
Gradient array IP:	6	97.3 km ²
Pole-dipole:	8	56 line km
3D IP:	2	5.9 km ²



Drilling – 30,000m



Projects

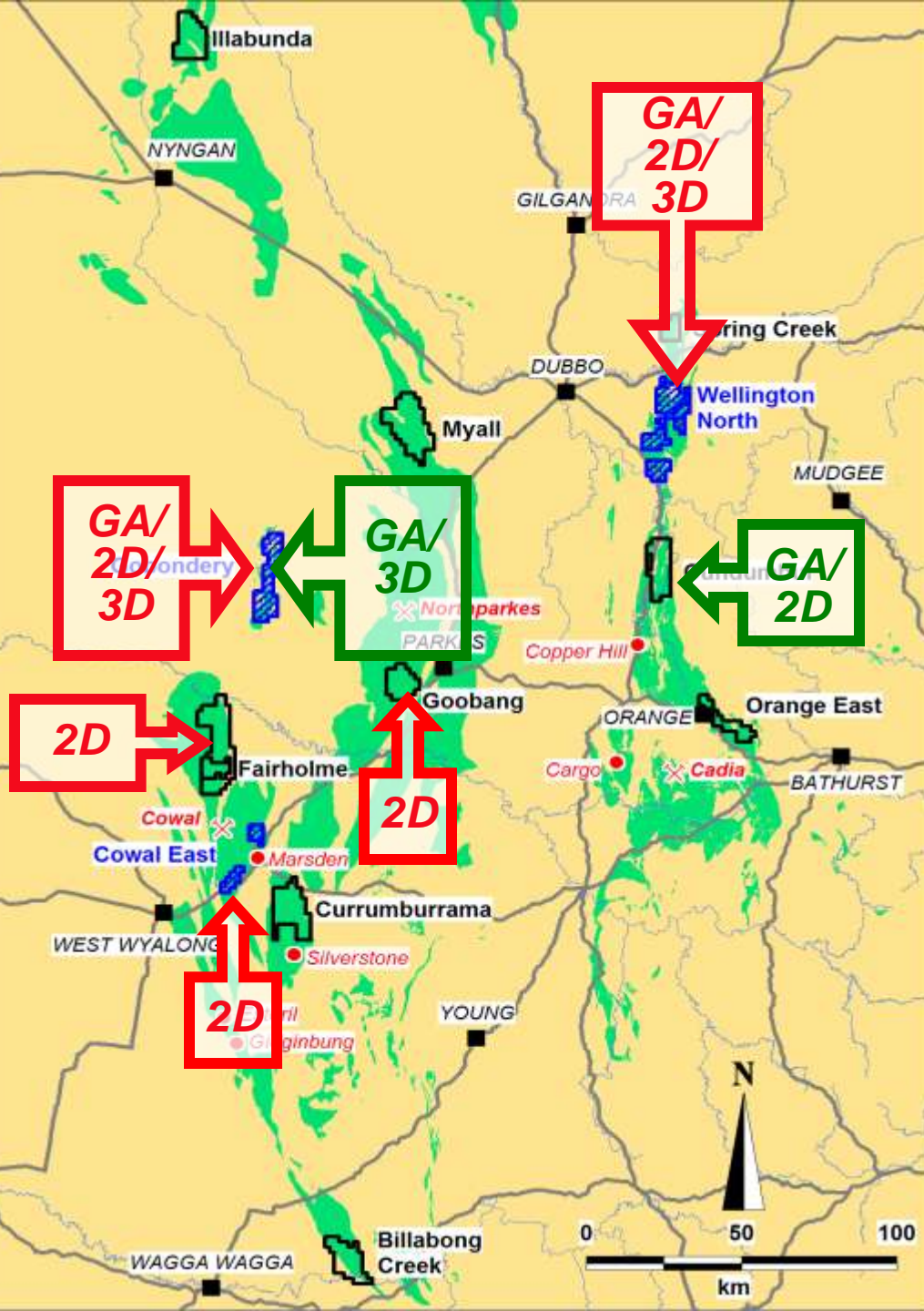
- Macquarie Arc
- Clancy
- Clancy JV

Drilling

- Completed
- May – June
- After June

AC	Aircore
RC	Reverse Circulation
DDH	Diamond

IP surveys



Projects

- Macquarie Arc
- Clancy
- Clancy JV

IP surveys

Completed

In progress

GA	Gradient Array IP
2D	2D pole-dipole IP
3D	3D IP survey

Projects



Cowal East

Wellington North

Cundumbul

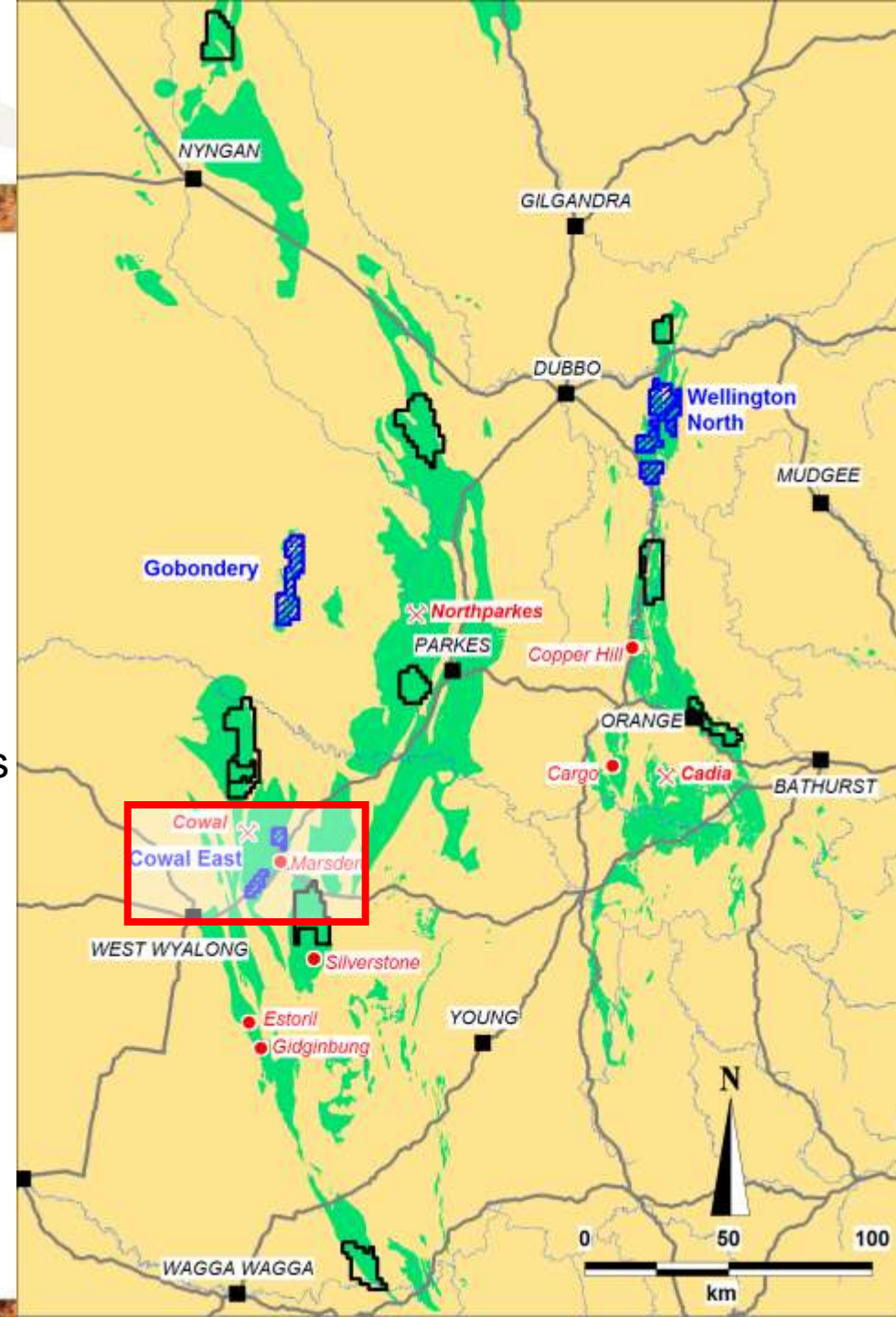
Goobang

Gobondery

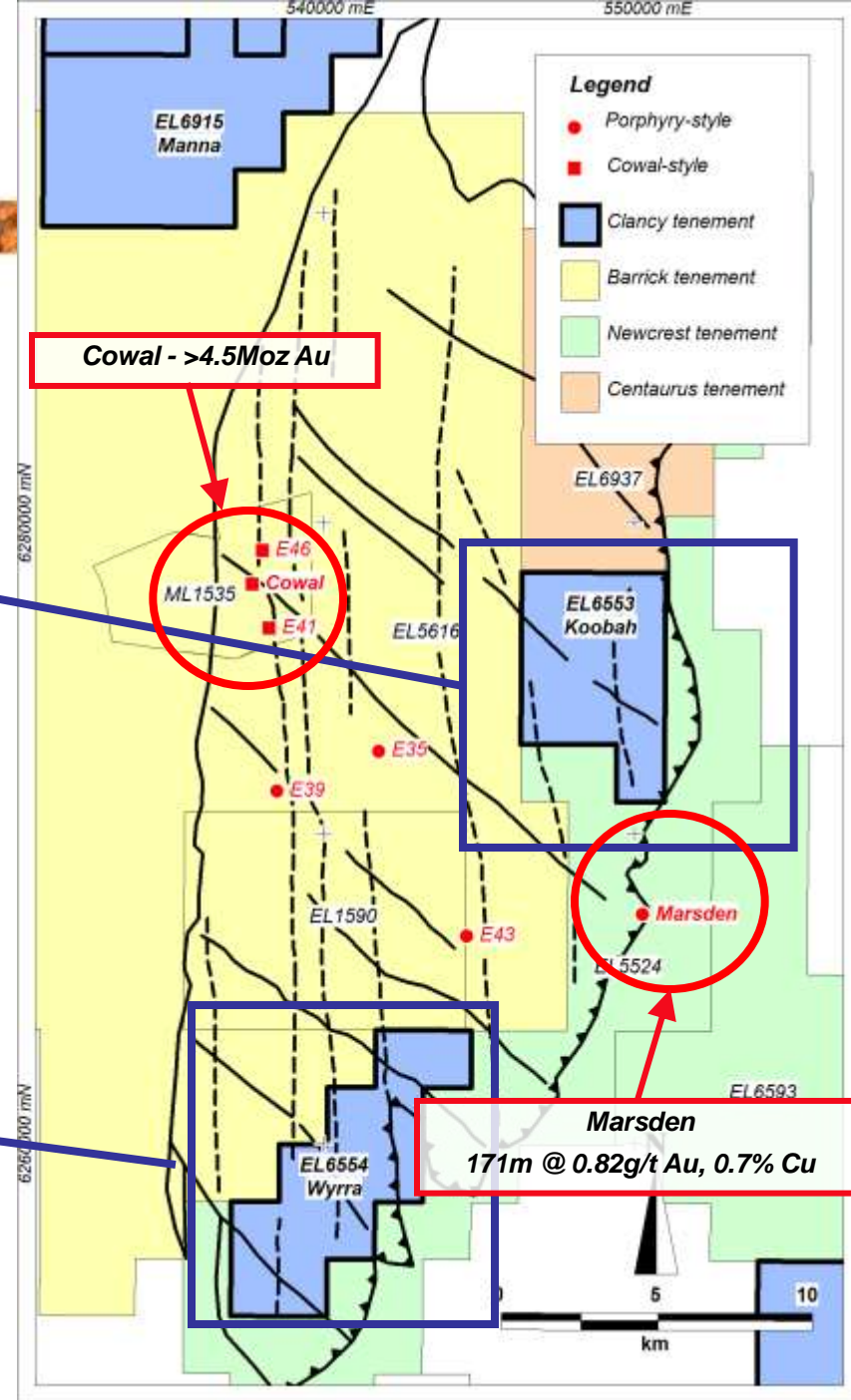
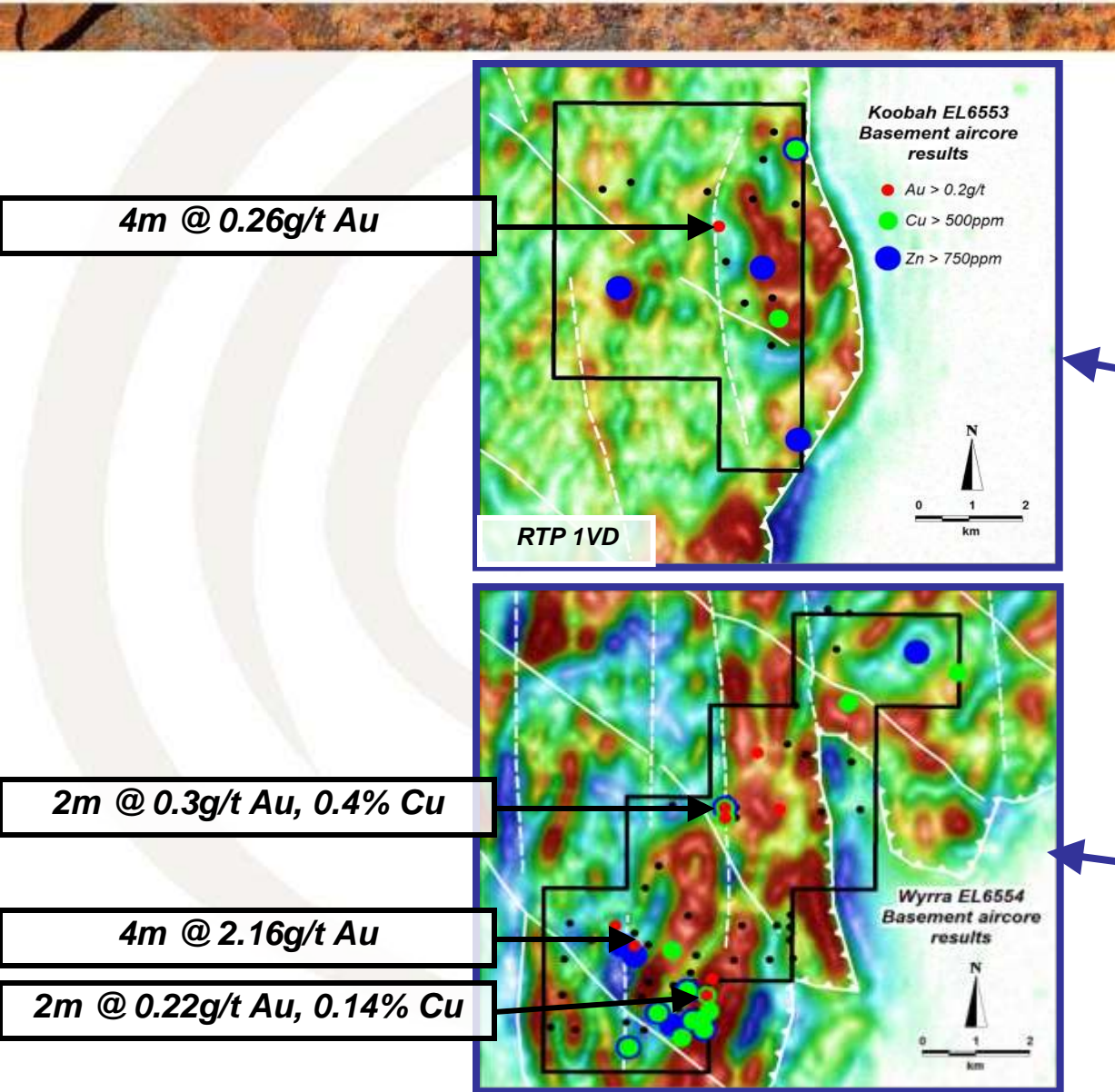
Other projects

Cowal East

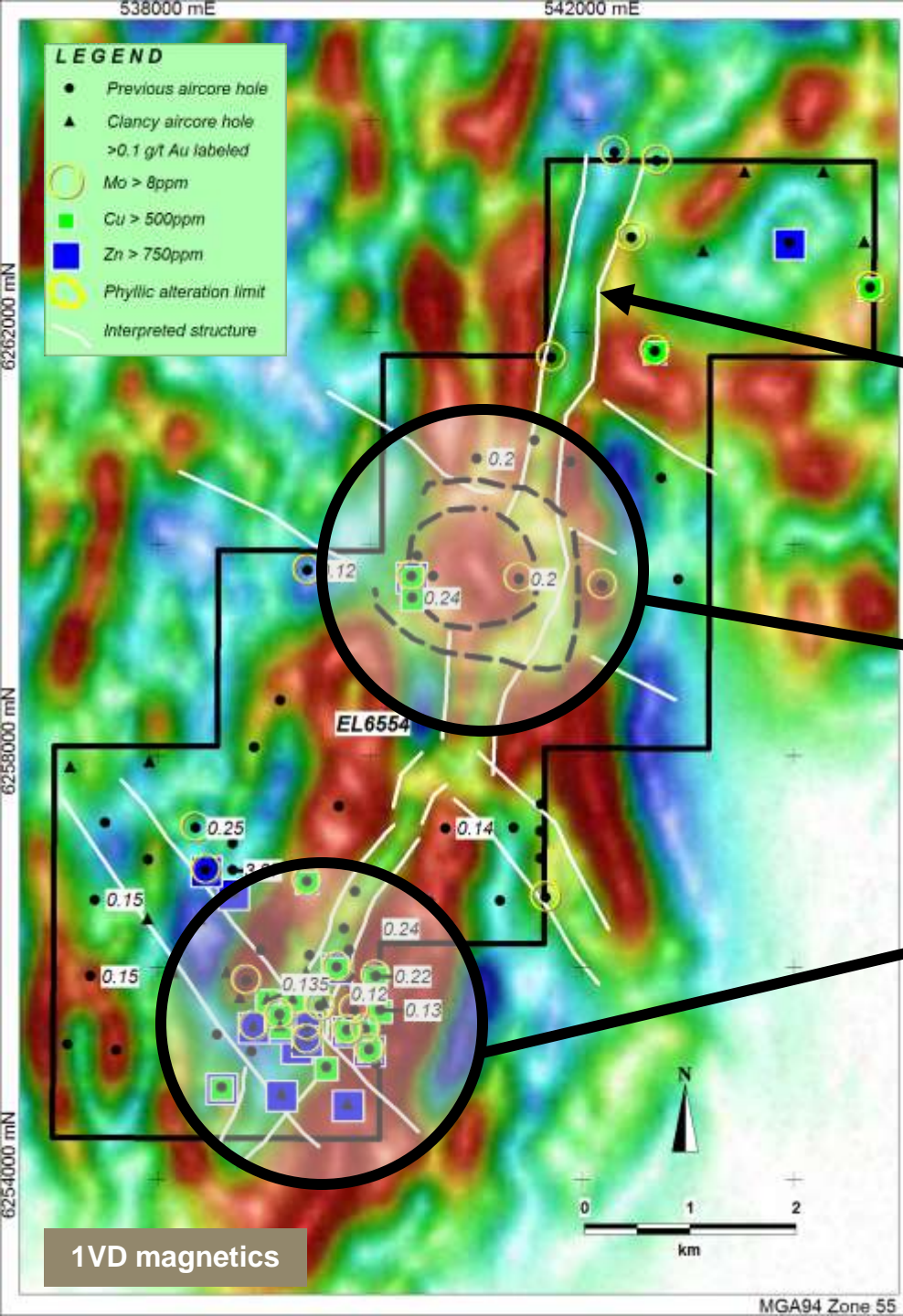
- Two EL's (EL6553 and EL6554) in the Cowal Igneous Complex
- 12km east of Cowal gold mine (Barrick), adjacent to Marsden prospect (Newcrest)
- Significant basement aircore gold, copper and zinc anomalies
- Prospective for porphyry-style and low-sulphidation epithermal style systems
- Aircore drilling to date >40m of cover, 21 holes 1841m completed to date



Cowal East previous results



Cowal East – Wyrra

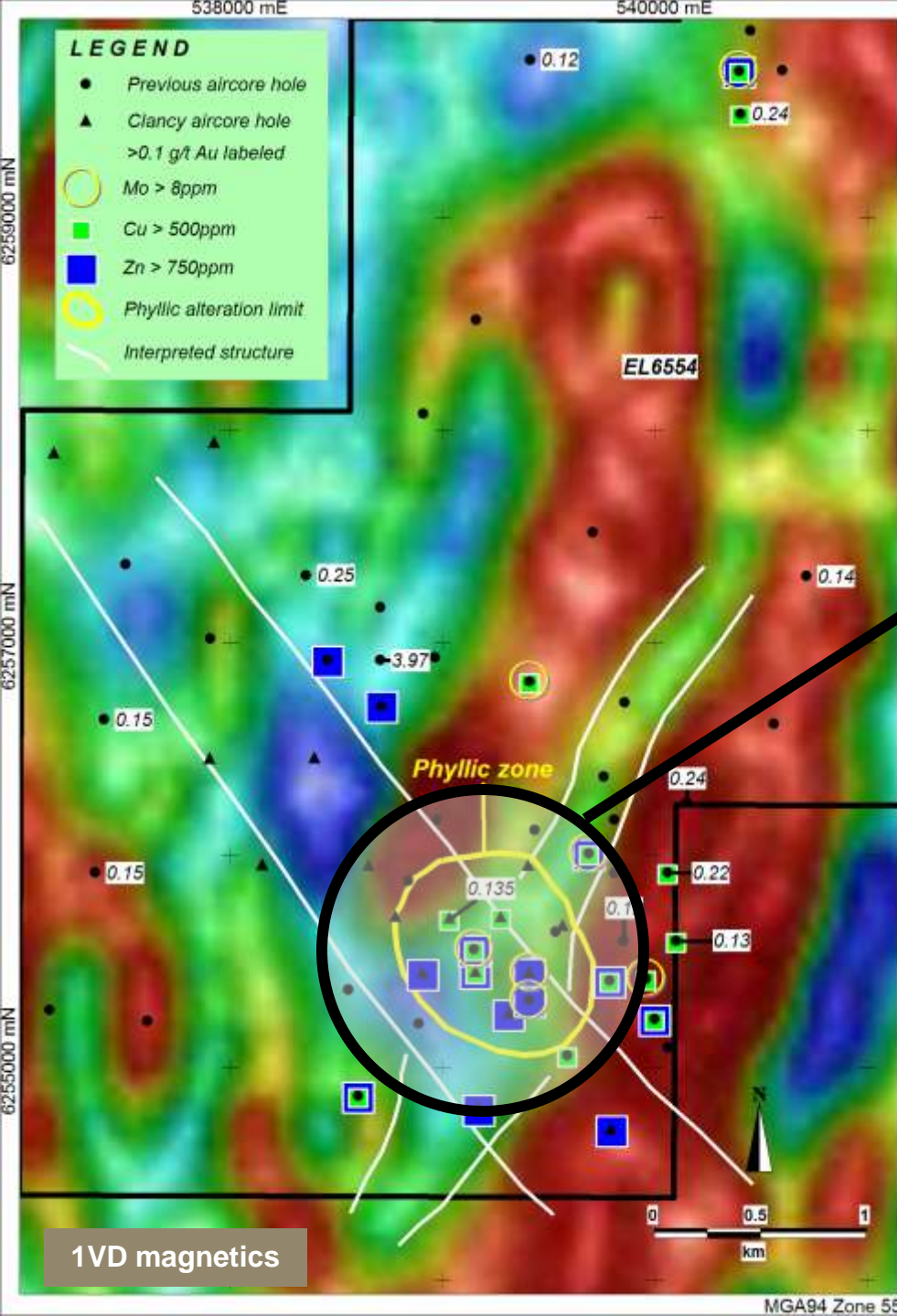


***NNE-trending structure, variably anomalous in Cu-Zn-Mo-Au.
NW-trending cross-structures.***

***Circular magnetic feature (high within low) –
potassic within phyllic zone?
Anomalous Cu-Au-Mo in basement.
No elevated Zn => porphyry-style?
Aircore drilling mid June 2008 (subject to cropping).***

***Broad zone of anomalous Cu-Zn-Mo-Au with
coincident phyllic alteration.
Elevated Zn => Cowal-style?
Diamond drilling late June 2008.***

Cowal East – Wyrra



Significant quartz-sericite-pyrite alteration (phyllic) identified in nine aircore holes over 1000 x 800m area.

Indicative of large hydrothermal system.

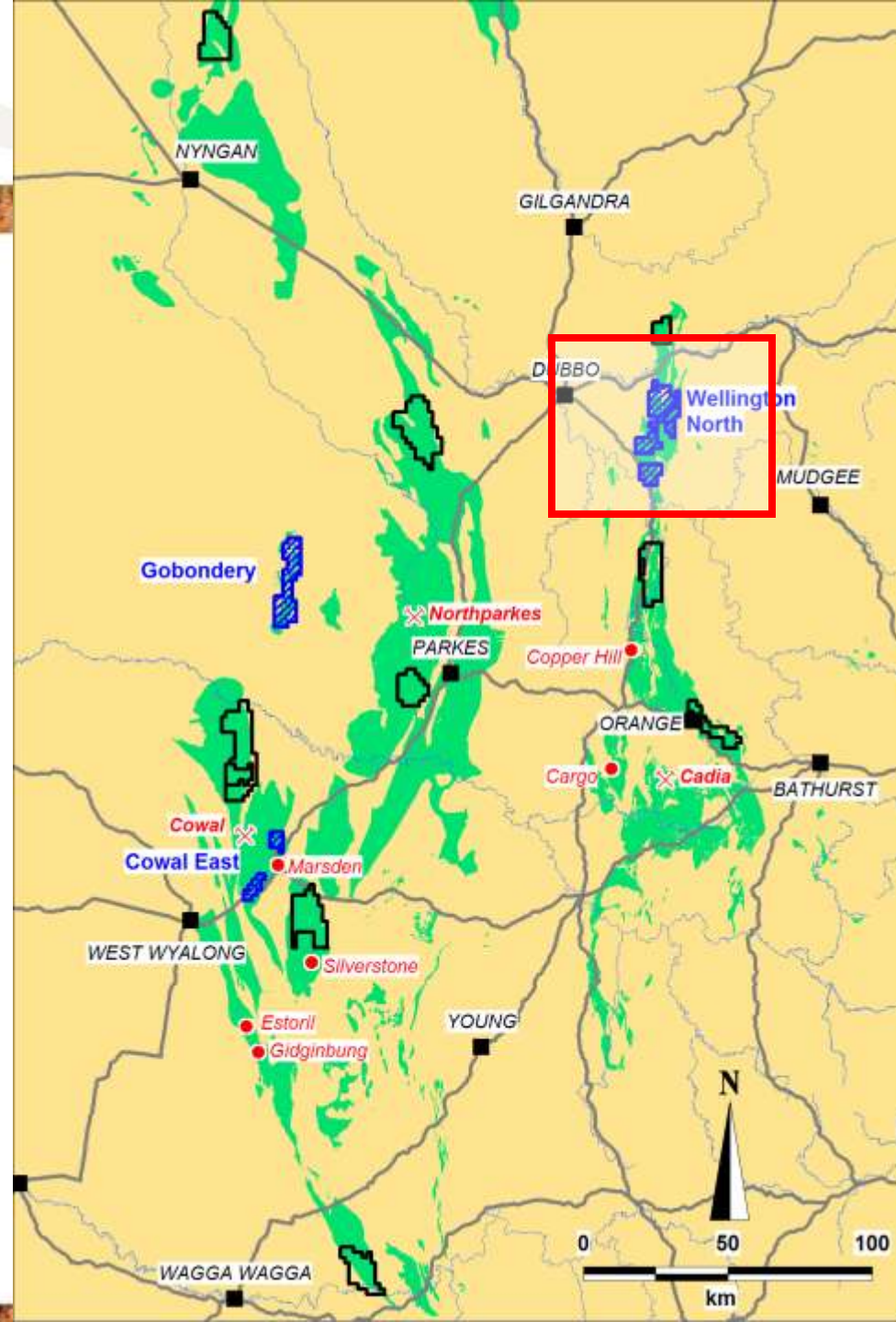
Phyllic alteration or “bleached rock” is common in the upper parts of porphyry Cu-Au deposits, e.g. Northparkes.

Supporting Cu, Mo, and Zn geochemistry.

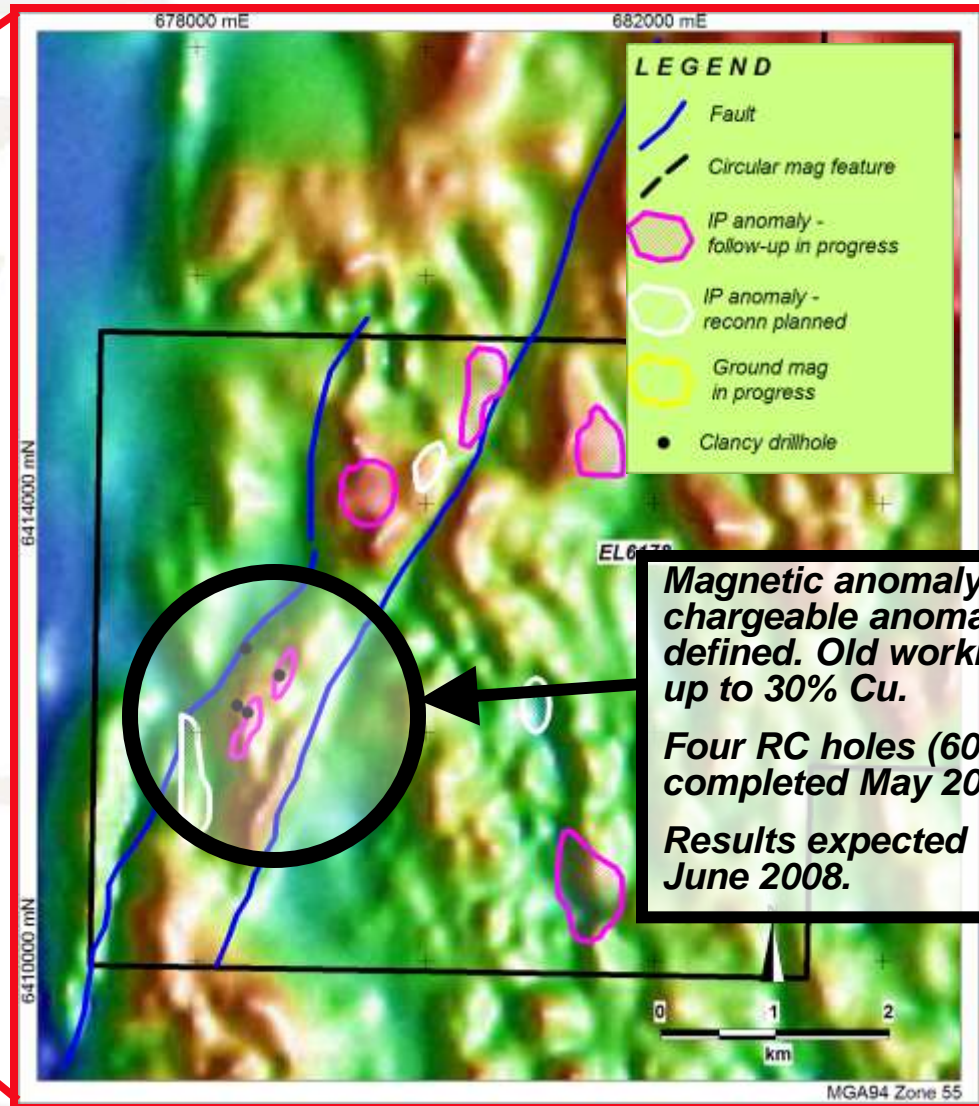
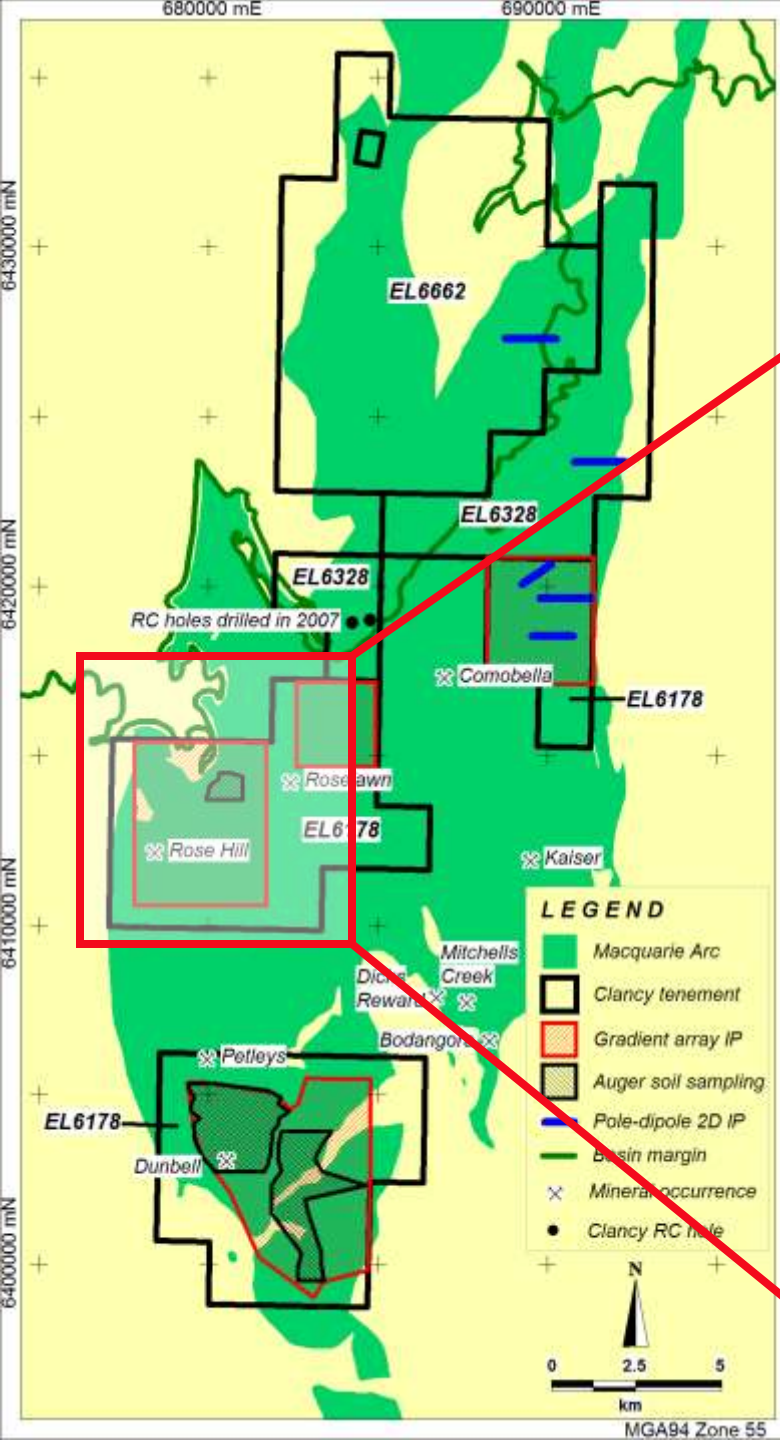
Diamond drilling beneath phyllic zone late June 2008.

Wellington North

- Northern section of the Molong Volcanic Belt
- Ordovician volcanic and intrusive rocks with primary sulphide mineralisation
- Porphyry-style alteration associated with intrusives
- IP surveys recently completed
 - 9 IP anomalies to follow-up
 - 8 more to field check
- Soil sampling and ground magnetic surveys in progress
- 5 RC holes (750m) completed in May 2008 results pending (late June 2008)



Wellington North Rose Hill

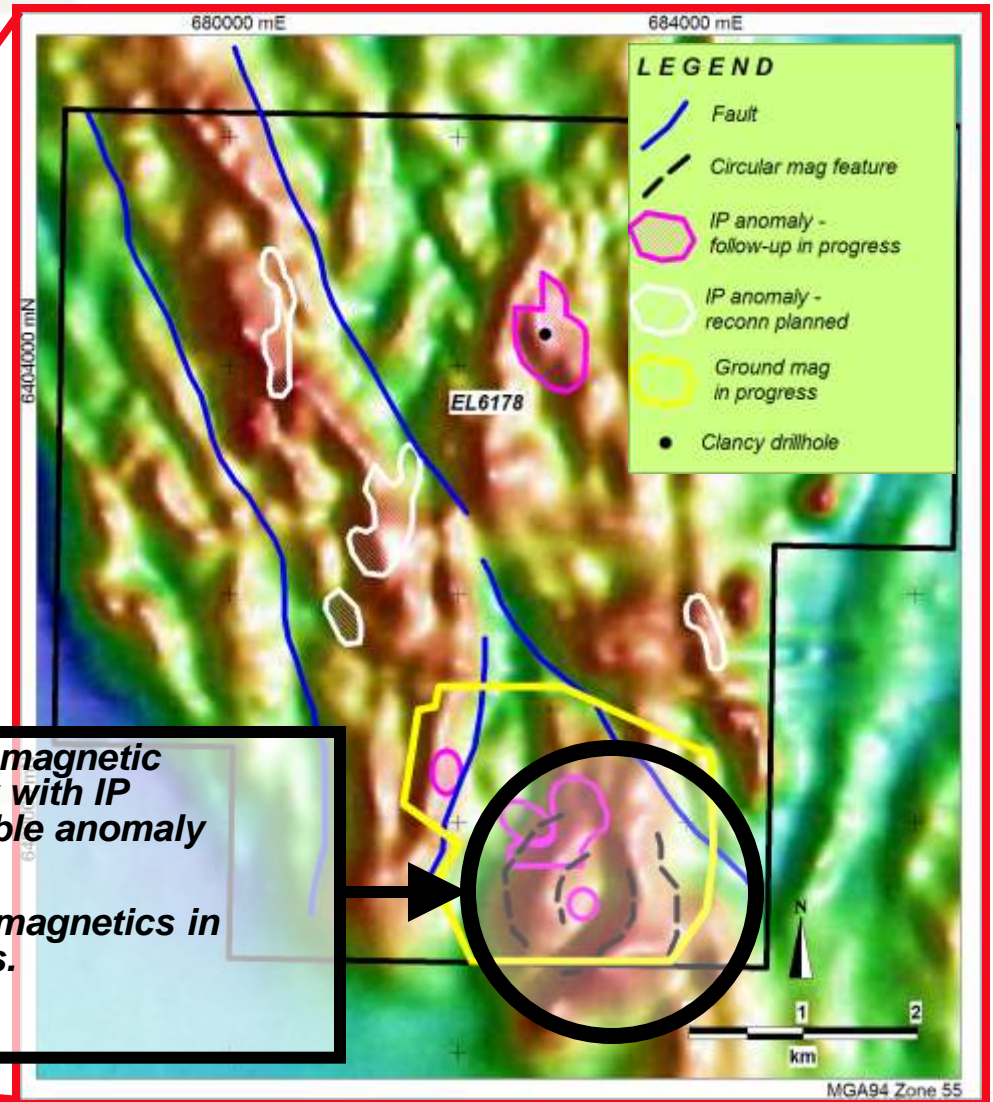
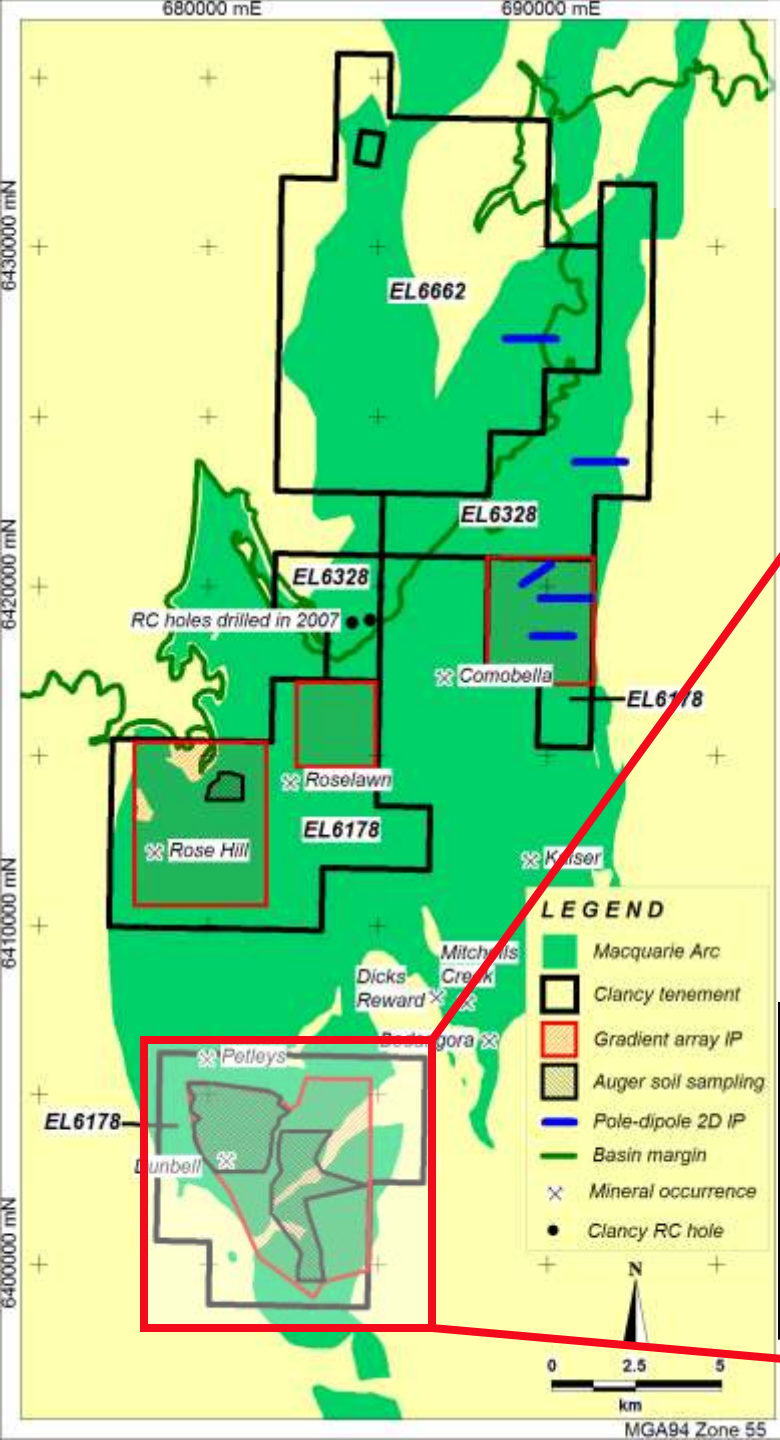


Magnetic anomaly with IP chargeable anomaly defined. Old workings with up to 30% Cu.

Four RC holes (600m) completed May 2008.

Results expected late June 2008.

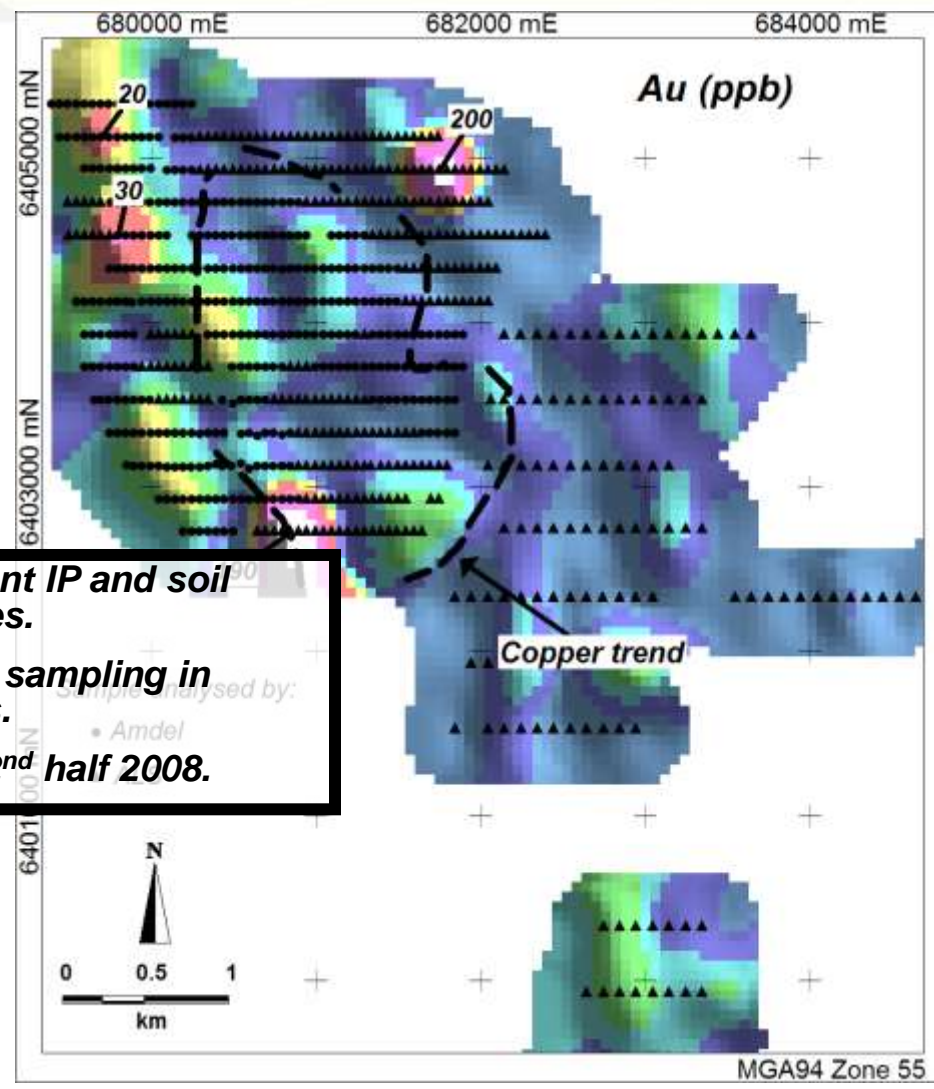
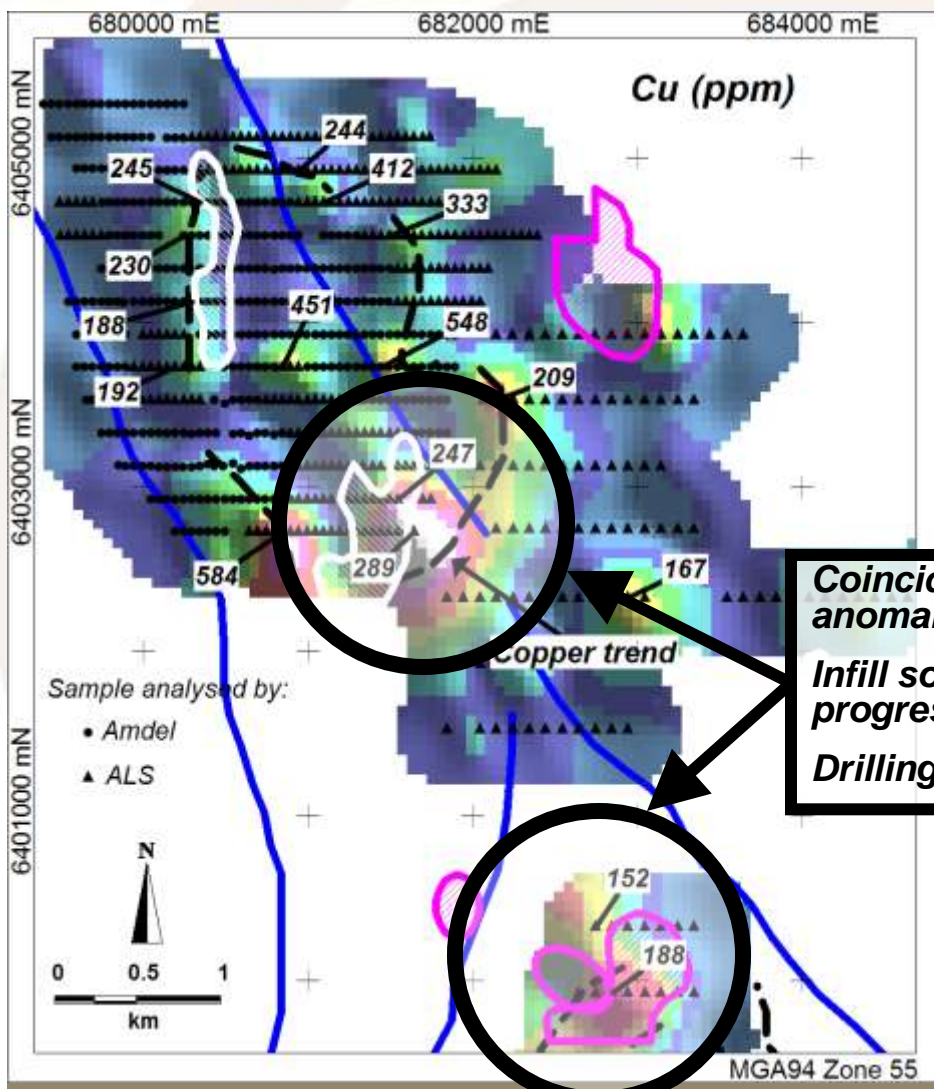
Wellington North Dunbell



Circular magnetic anomaly with IP chargeable anomaly defined.

Ground magnetics in progress.

Wellington North – Dunbell soil sampling



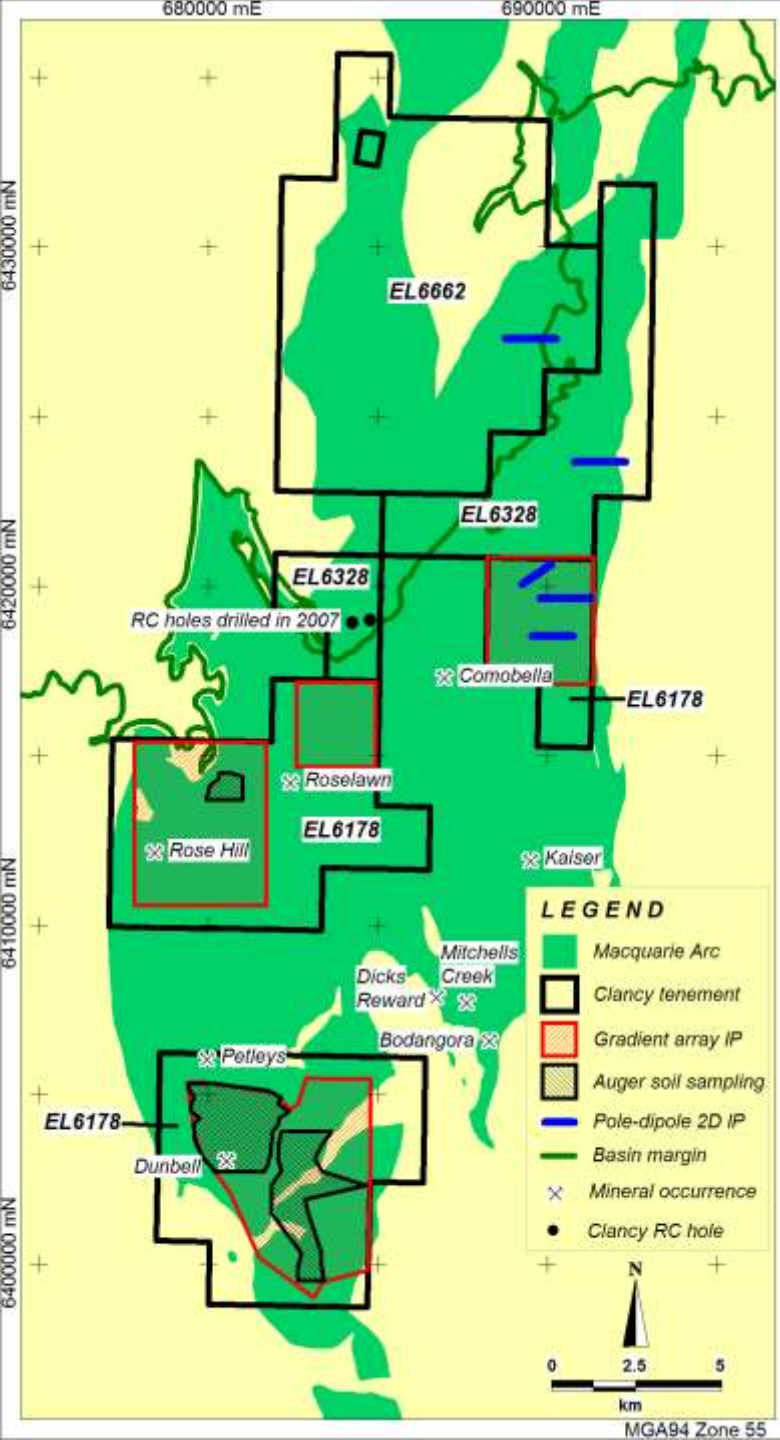
Coincident IP and soil anomalies.

Infill soil sampling in progress.

Drilling 2nd half 2008.

Dunbell soil sampling – Cu showing IP anomalies

Wellington North – proposed work



Process follow-up PDP on gradient array IP anomalies at Rose Hill and Dunbell.

Process ground magnetic data and complete infill soil and rock-chip sampling at Dunbell.

Identify drill targets.

Drilling (RC/DDH) August 2008.

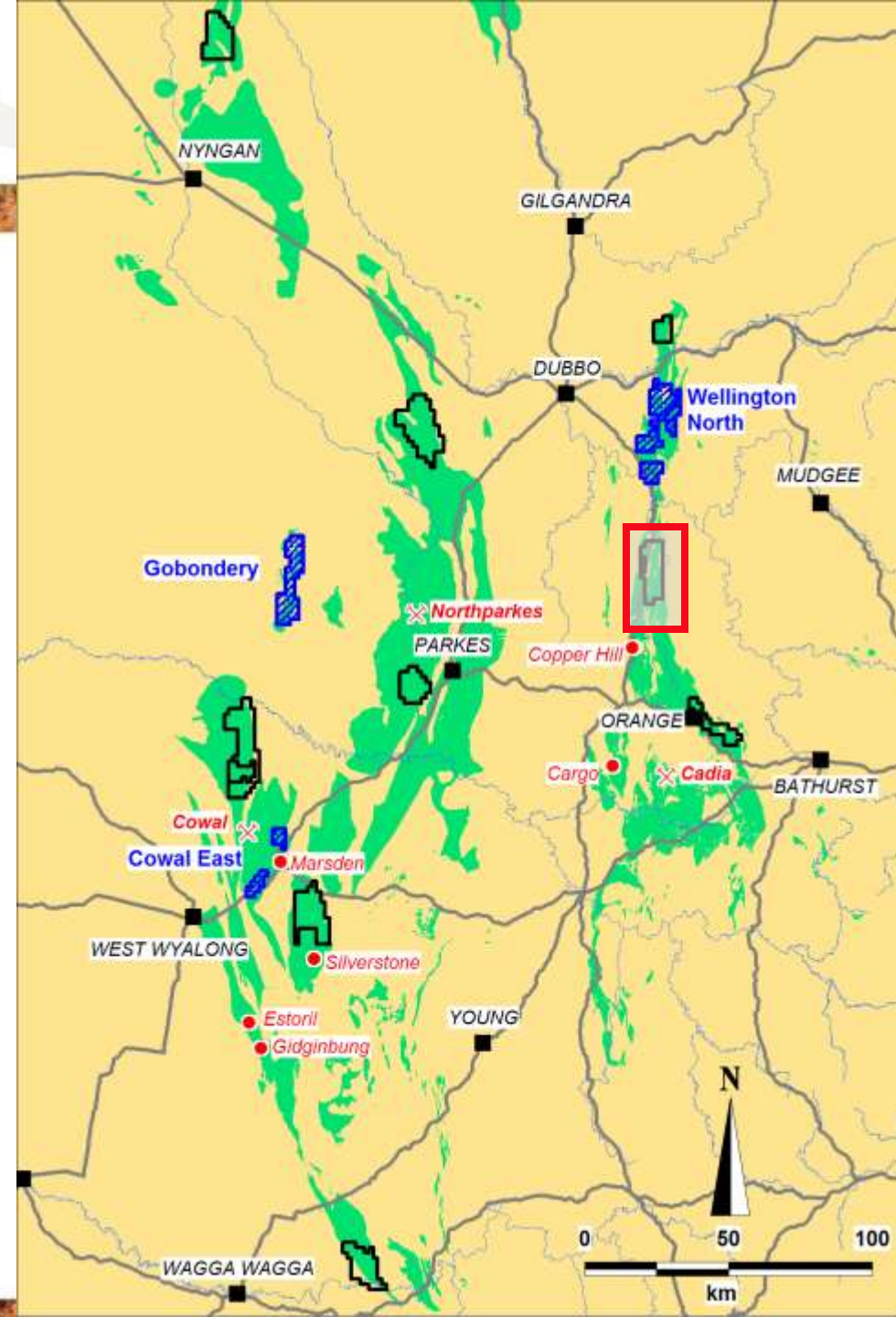
Results for RC drilling at Rose Hill and Dunbell – late June 2008.

Geophysical inversion and structural interpretation – Yarindury and Hillcroft targets (EL6662 & EL6328).

RC/DDH drilling – November to December 2008.

Cundumbul

- Significant surface mineralisation in previous (1990's) rock-chip sampling
 - >20 samples with >1g/t Au and >1000ppm Cu over 7km strike length
- Detailed mapping suggests southern area is peripheral to porphyry system
- Targeting suggests northern area is more proximal to porphyry system
- Also potential for post-Ordovician Cu deposits
- Gradient array IP surveys in progress



Cundumbul – Geology



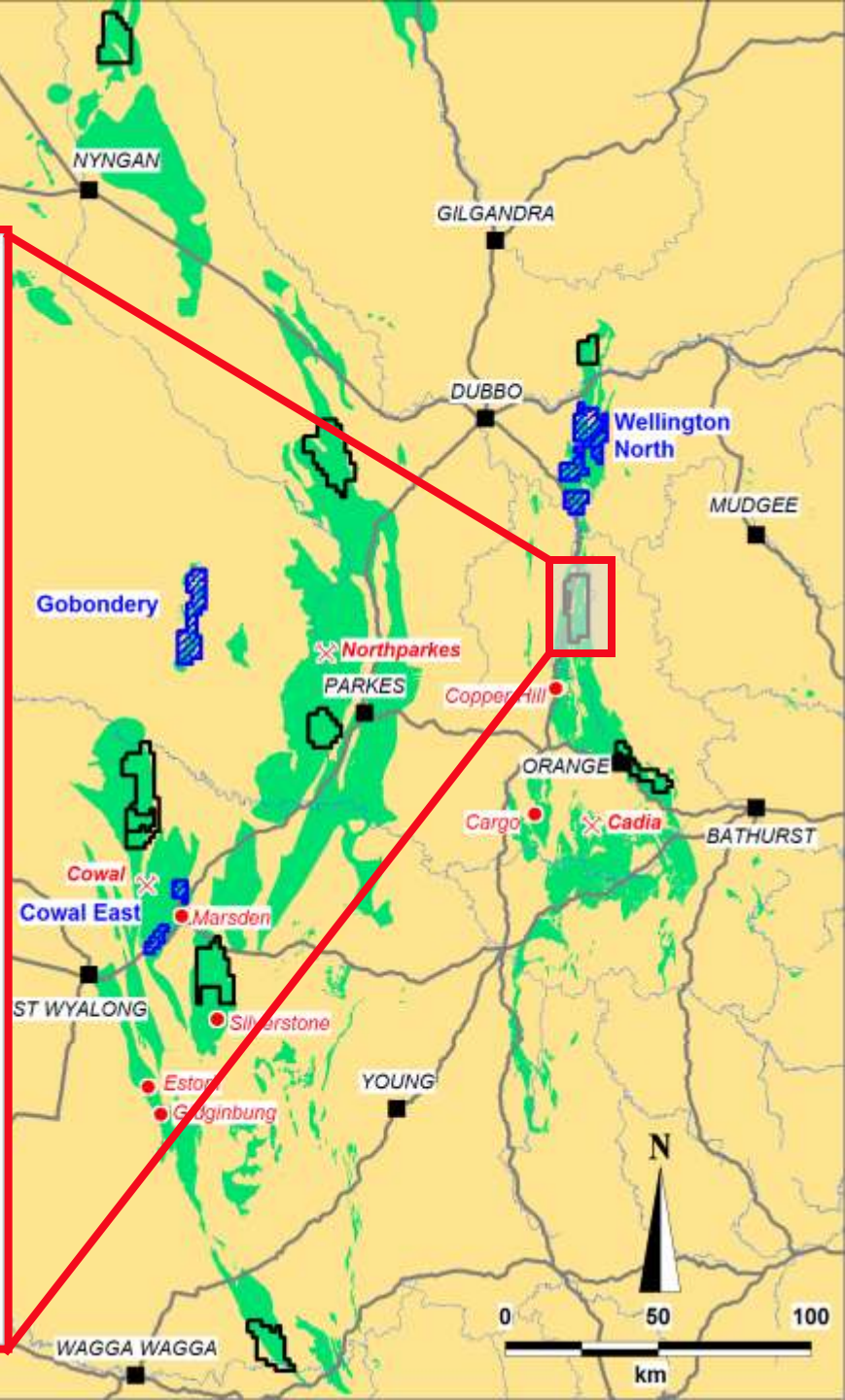
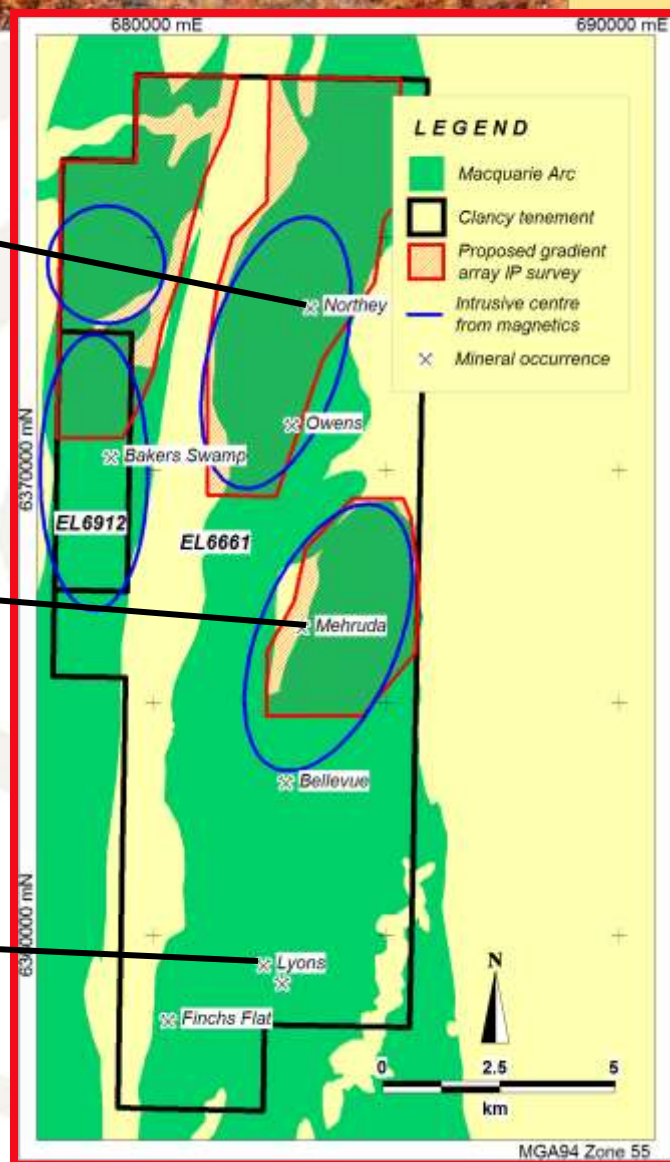
Monzonite outcrop



Cu secondaries



Quartz-K-feldspar-chalcopyrite breccia (>40g/t Au)



Cundumbul – Naroogal IP

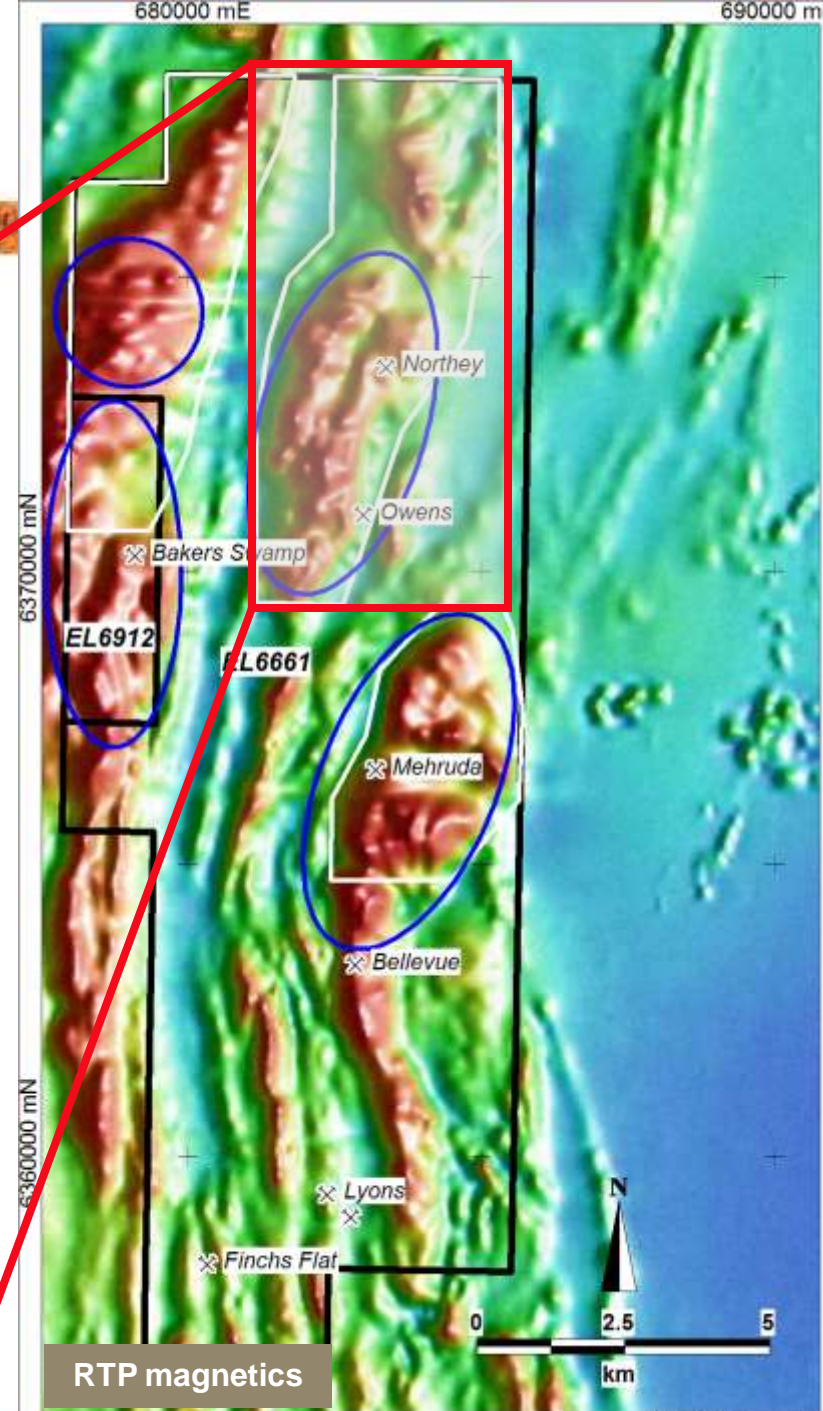
Gradient IP data being field-checked and reviewed.
Eight basement anomalies defined to date.

Large coherent gradient IP chargeable anomaly.
>4km long.
Much of it with chargeability's >20ms.

No previous drilling in this area.

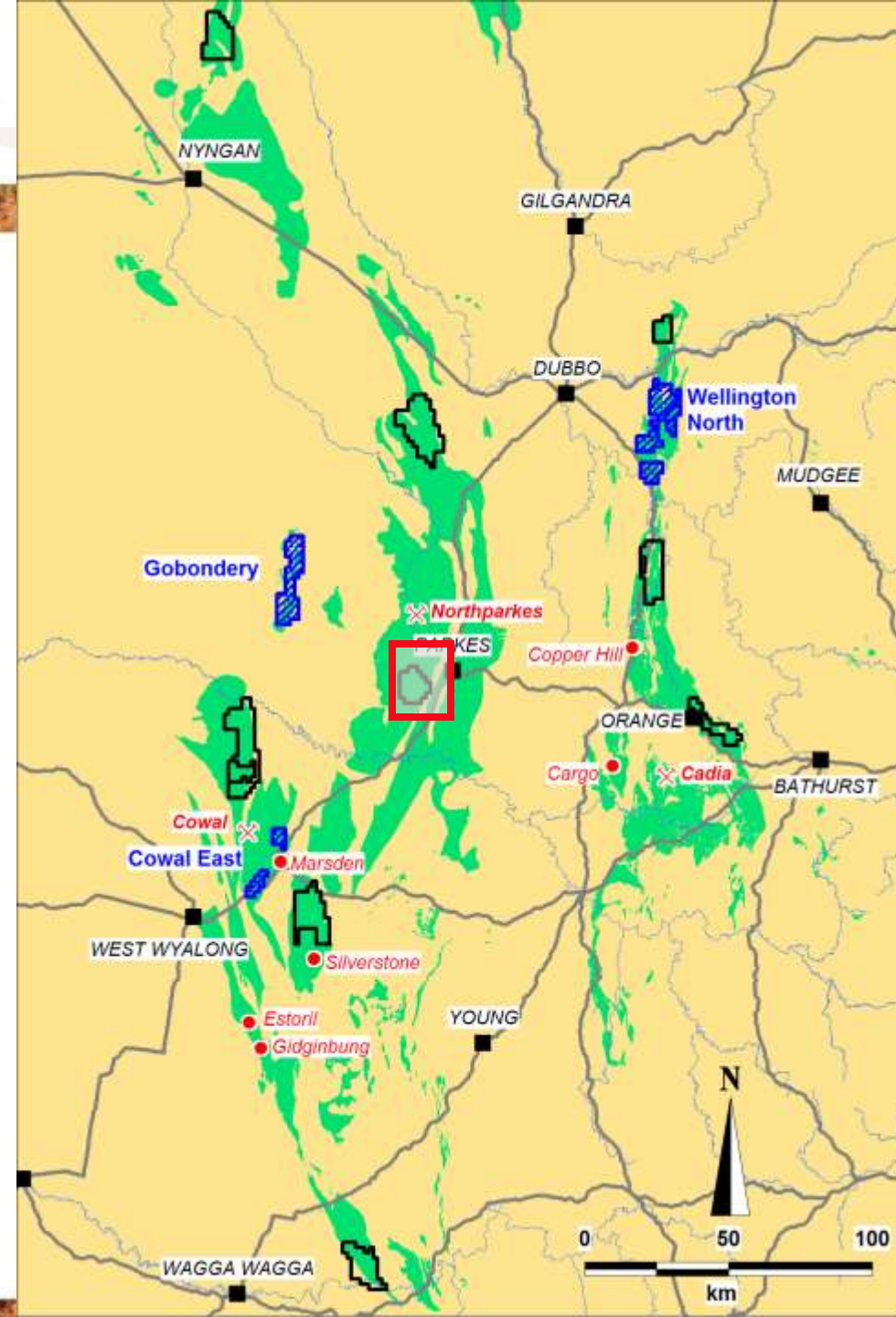
Gradient IP in progress at Mehruda.

Further processing and follow-up planned.

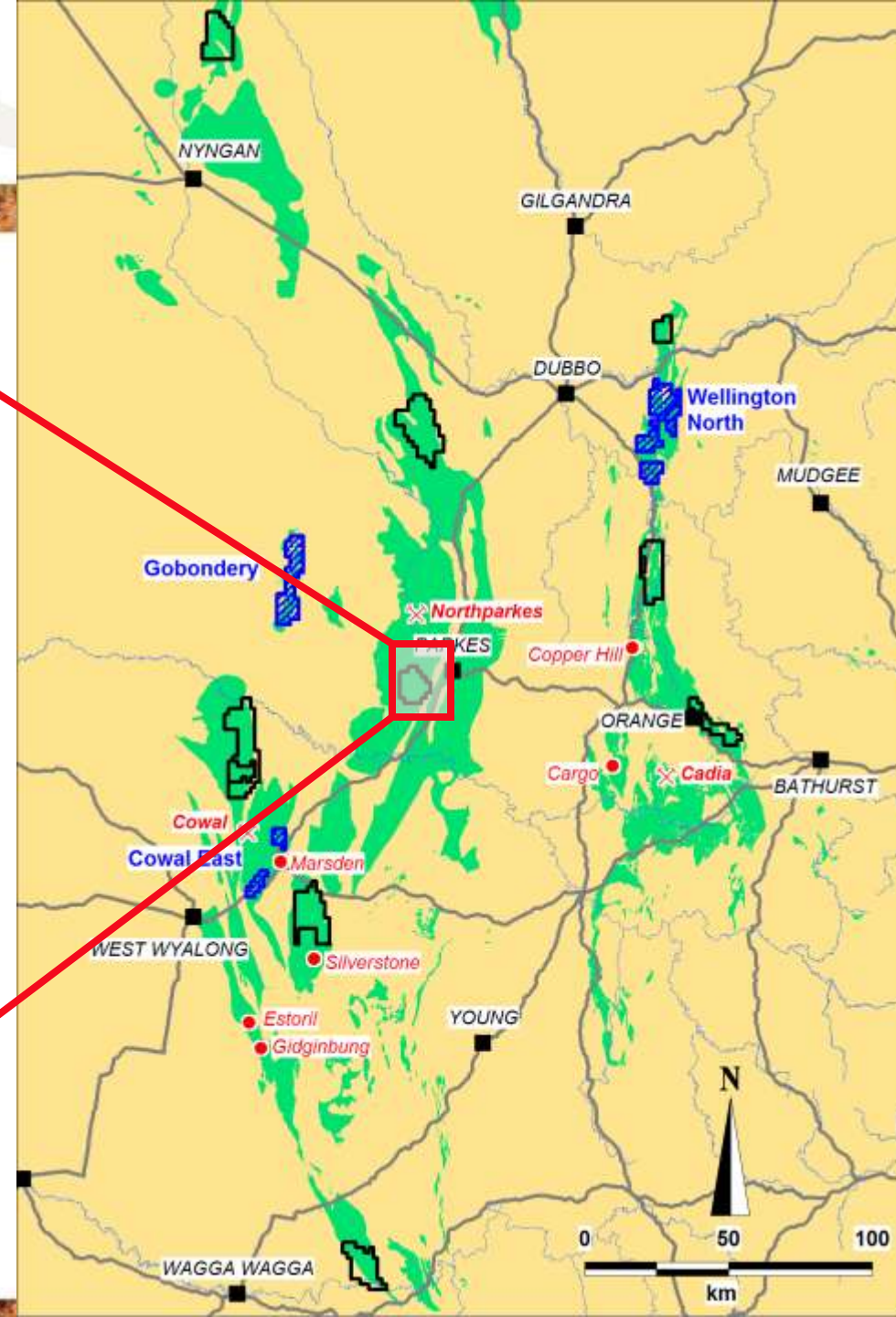
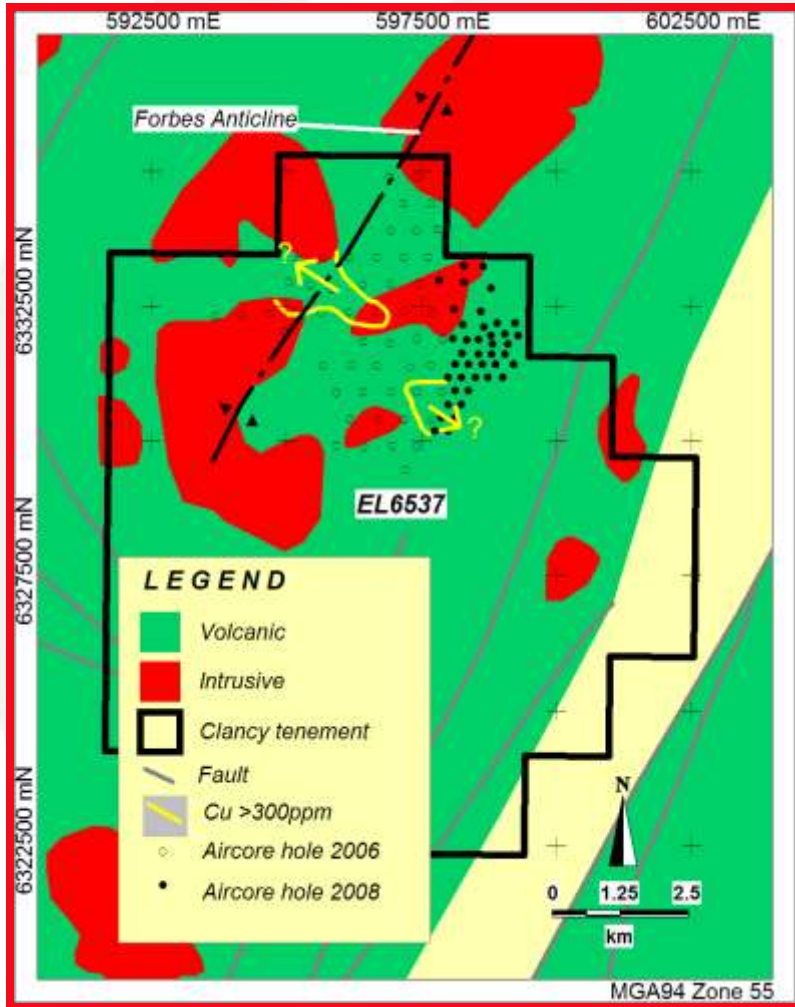


Goobang

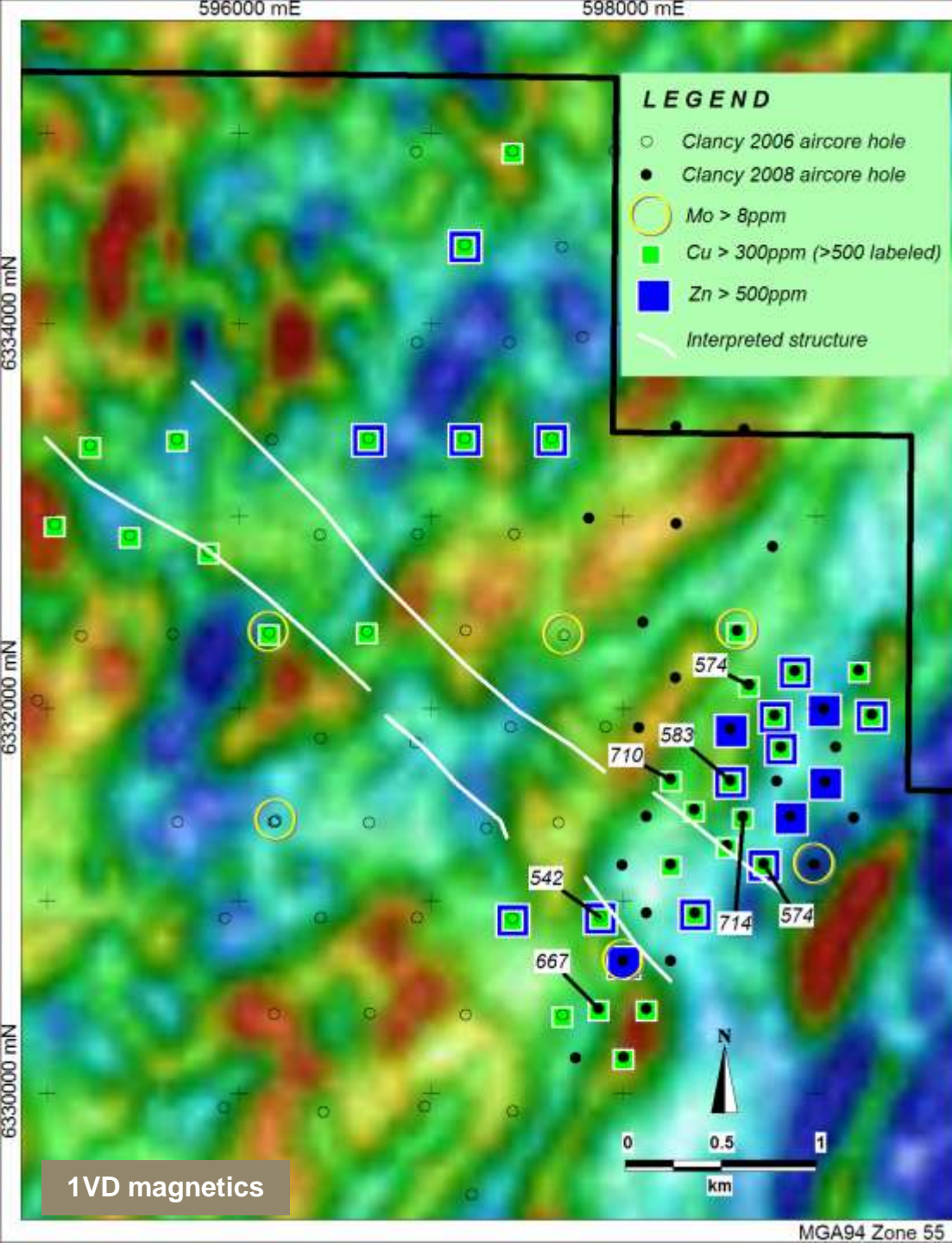
- Located 20km south of Northparkes
- Typical “Ordovician” magnetic signature
- Previously thought to be older Nelungaloo Volcanics, therefore hardly any previous drilling
- Younger Goonumbla Volcanics confirmed by drilling (carbonates) – more prospective
- Clancy aircore drilling in 2006, follow-up and infill aircore drilling in 2008
- 39 holes, 2367m completed in Feb 2008



Goobang – Geology



Goobang – drilling



Volcaniclastic sandstone, limestone and andesitic lava.

Overprinted by K-feldspar, phyllic and propylitic alteration assemblages.

Abundant pyrite.

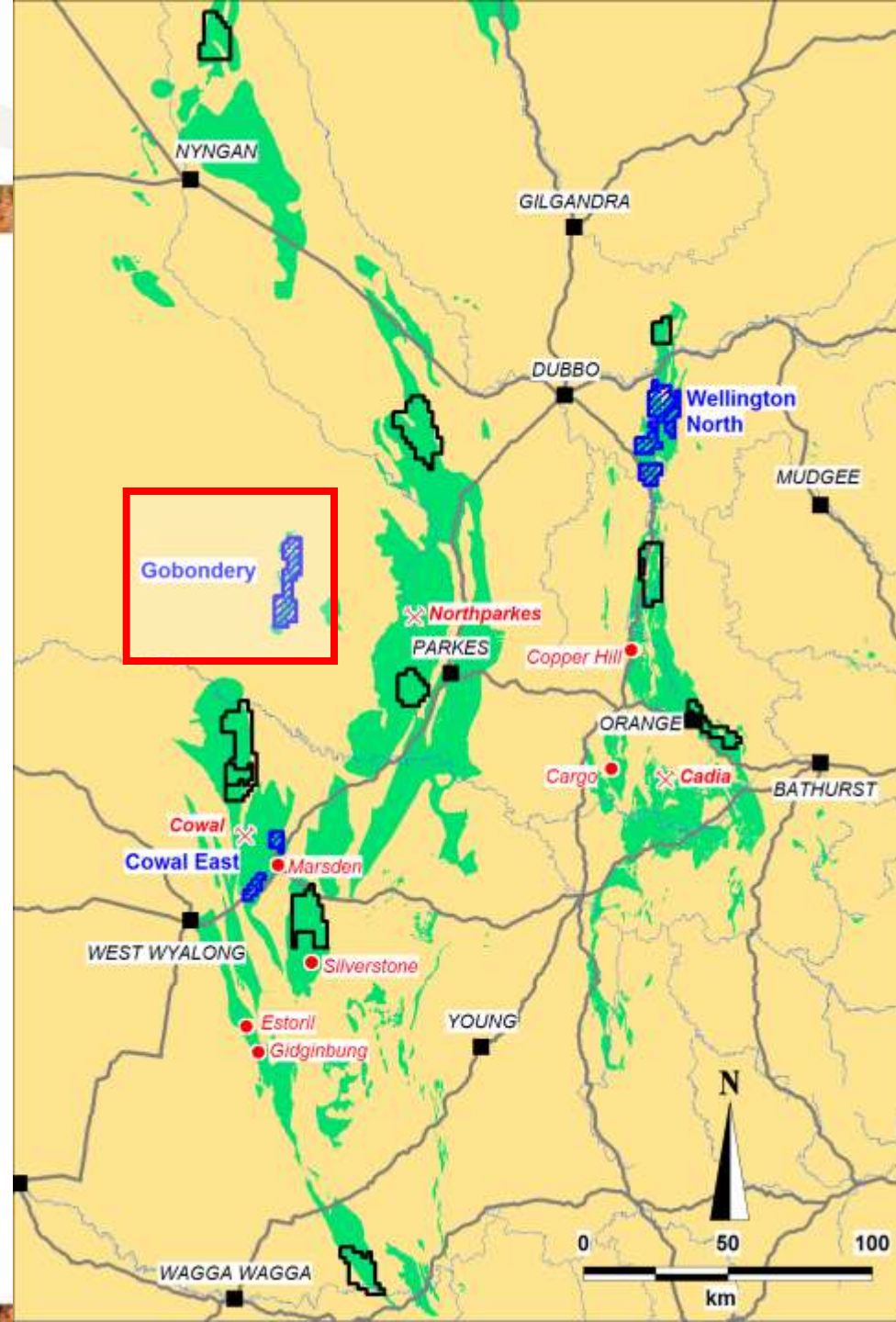
Cu and Zn anomalies open to SE.

Skarn potential?

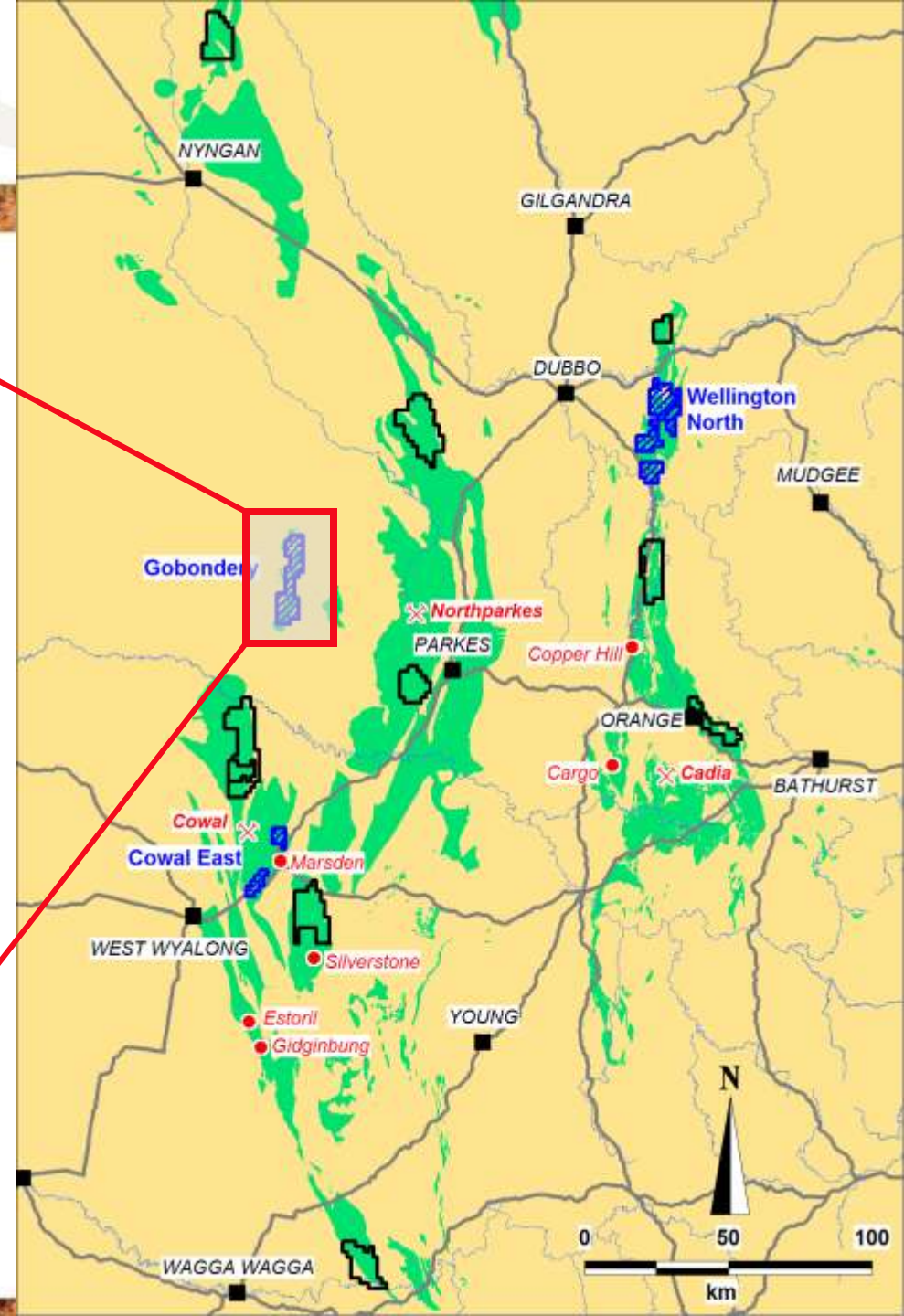
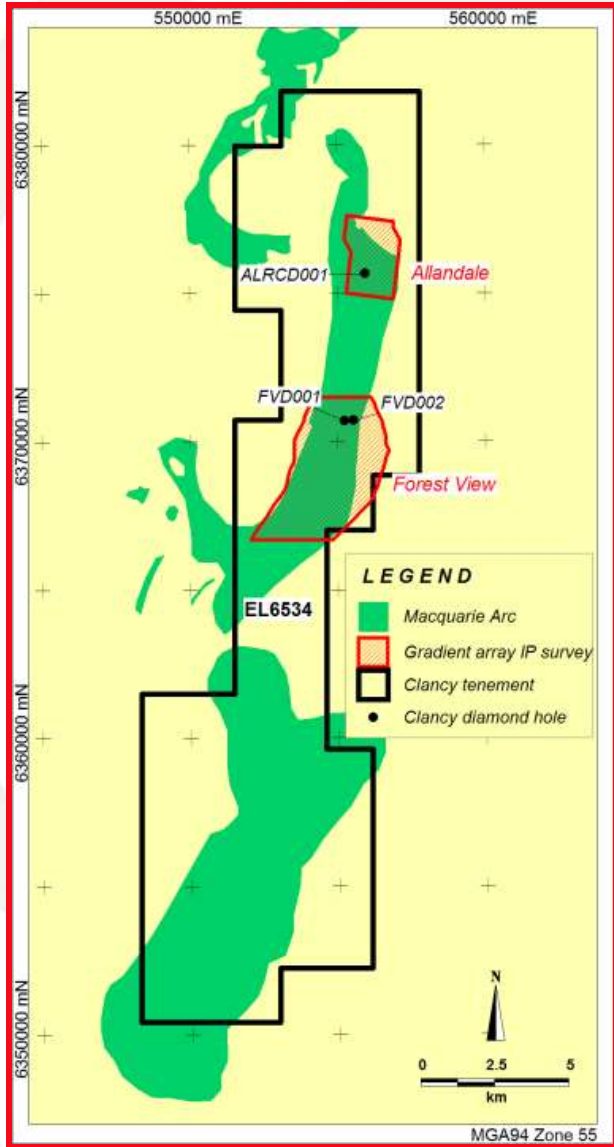
Further geochemical, spectral and geophysical processing required.

Gobondery

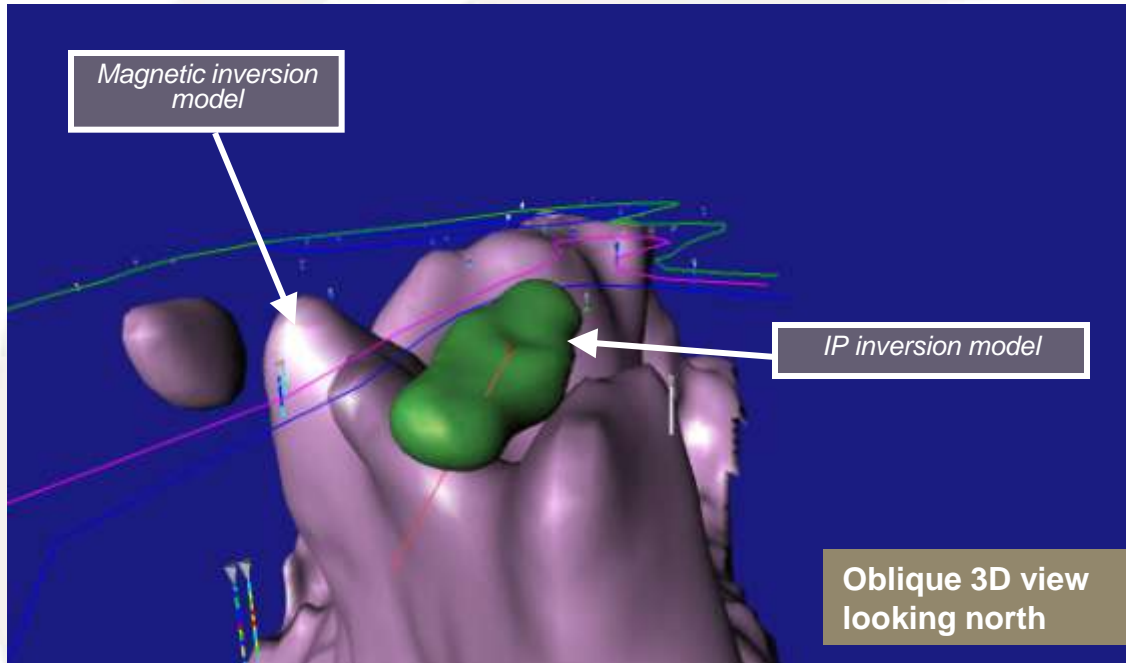
- Gobondery EL6534 covers prospective arc rocks 47km west of Northparkes
- Similar geology and setting to Northparkes
- Clancy drilling in 2006 defined porphyry-style rocks, alteration and mineralisation
- IP surveys recently completed defined two chargeable anomalies
- Diamond drilling completed – 3 holes 1078m
- Porphyry-style alteration confirmed
- No significant results to date



Gobondery

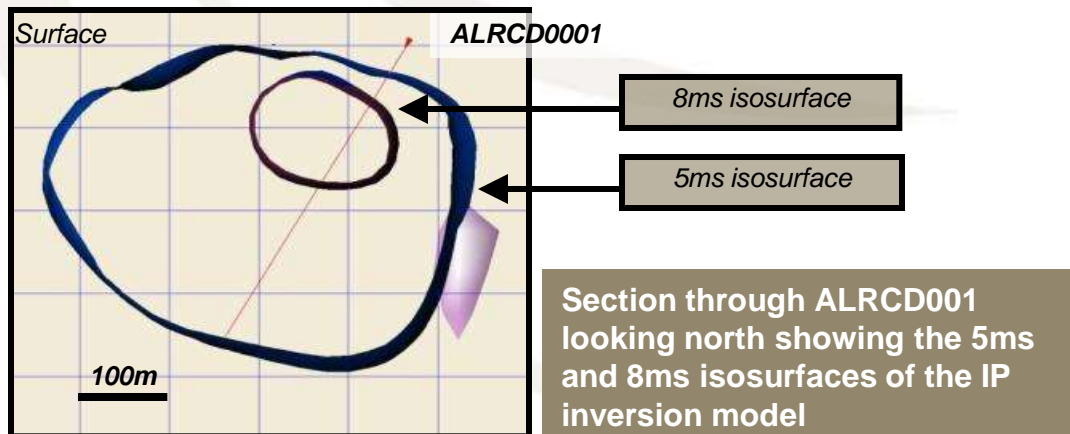


Gobondery – Allandale drilling



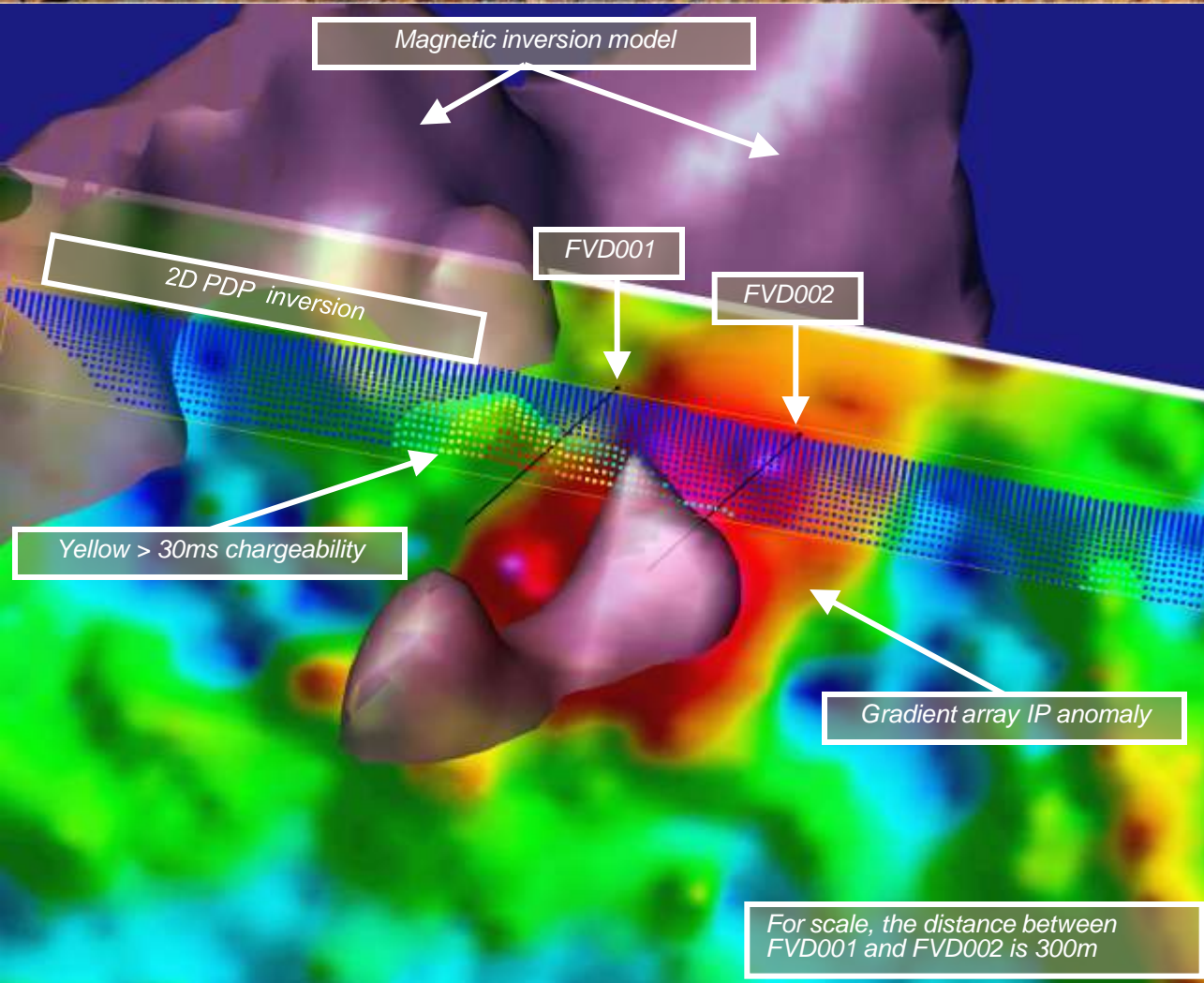
Allandale drilling summary

- **ALRCD001 drilled to 378.2m**
 - IP high test full extent of 5ms chargeable zone
 - Andesite flow units and volcanic breccia
 - Minor sulphide (<3% pyrite)
 - Rare chalcopyrite
 - No quartz veins
 - Results expected in next few weeks



ALRCD001 169-174m
epidote altered breccia

Gobondery – Forest View drilling

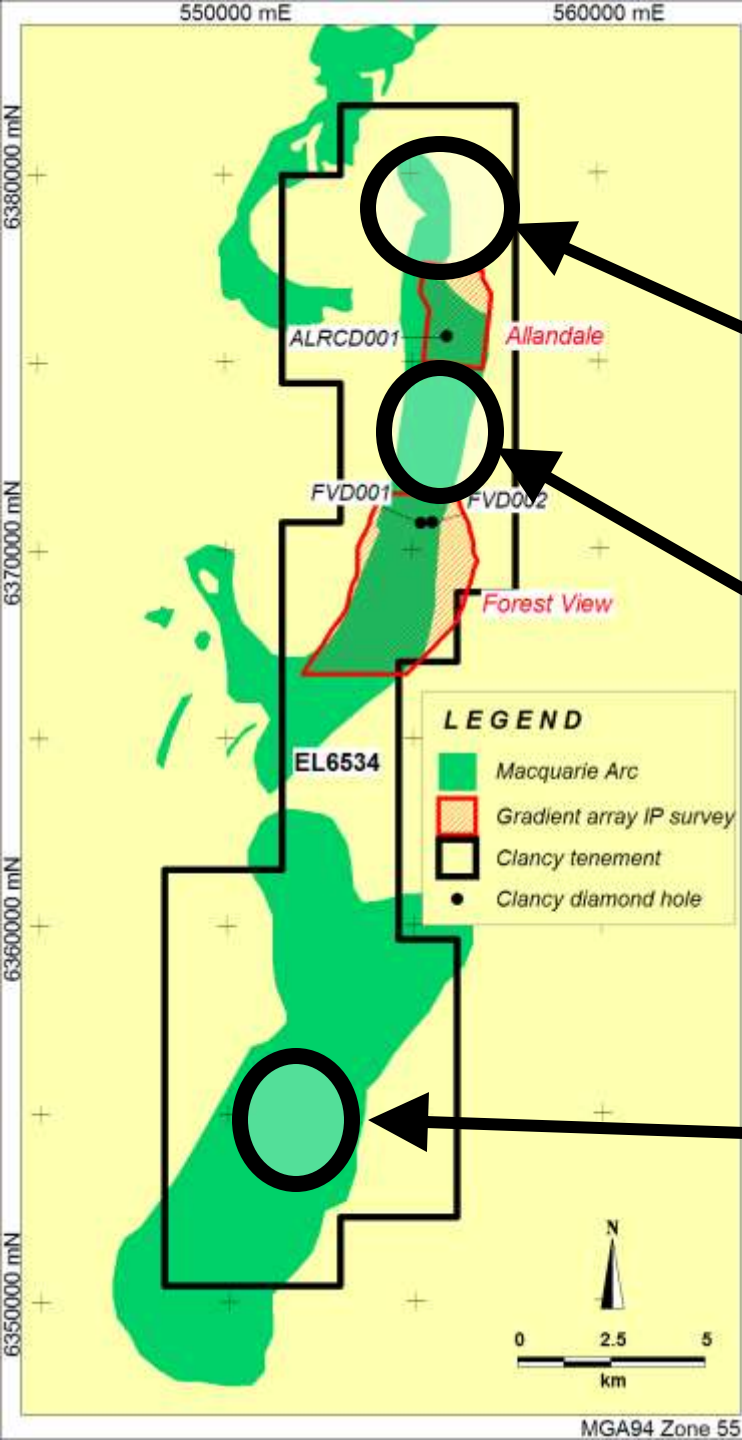


Forest View drilling summary

- **FVD001 drilled to 303.5m**
 - IP high and magnetic low
 - Volcanic breccia
 - Specular hematite
 - No quartz veins
 - Rare sulphide (pyrite)
 - No significant results
- **FVD002 drilled to 396m**
 - IP flank and magnetic high
 - Volcanic sandstone
 - Several fine-grained monzodiorite dykes
 - No quartz veins
 - Minor sulphide (pyrite)
 - Results for top 230m received
 - Nothing significant so far
 - Results for bottom 166m expected in next couple of weeks

3D view looking NNE showing drill holes, magnetic inversion model, gradient array IP image and 2D pole-dipole IP section for line 6,370,700N

Gobondery – proposed work



Extend 3D IP array north of Allandale to close off chargeable anomaly.

June 2008.

Extend gradient array IP coverage between Forest View and Allandale.

Fractionated silica-rich intrusives identified in 2006 aircore drilling.

June 2008.

RC drilling southern target.

Late 2008?

Other projects

Illabunda EL6535 – one 250m AC/DDH hole completed, Ordovician basement not reached. Project under review.

Spring Creek EL6536 – one 156m RC hole completed. Bottomed in 50m of magnetic dolerite. Magnetic anomaly explained. Project under review.

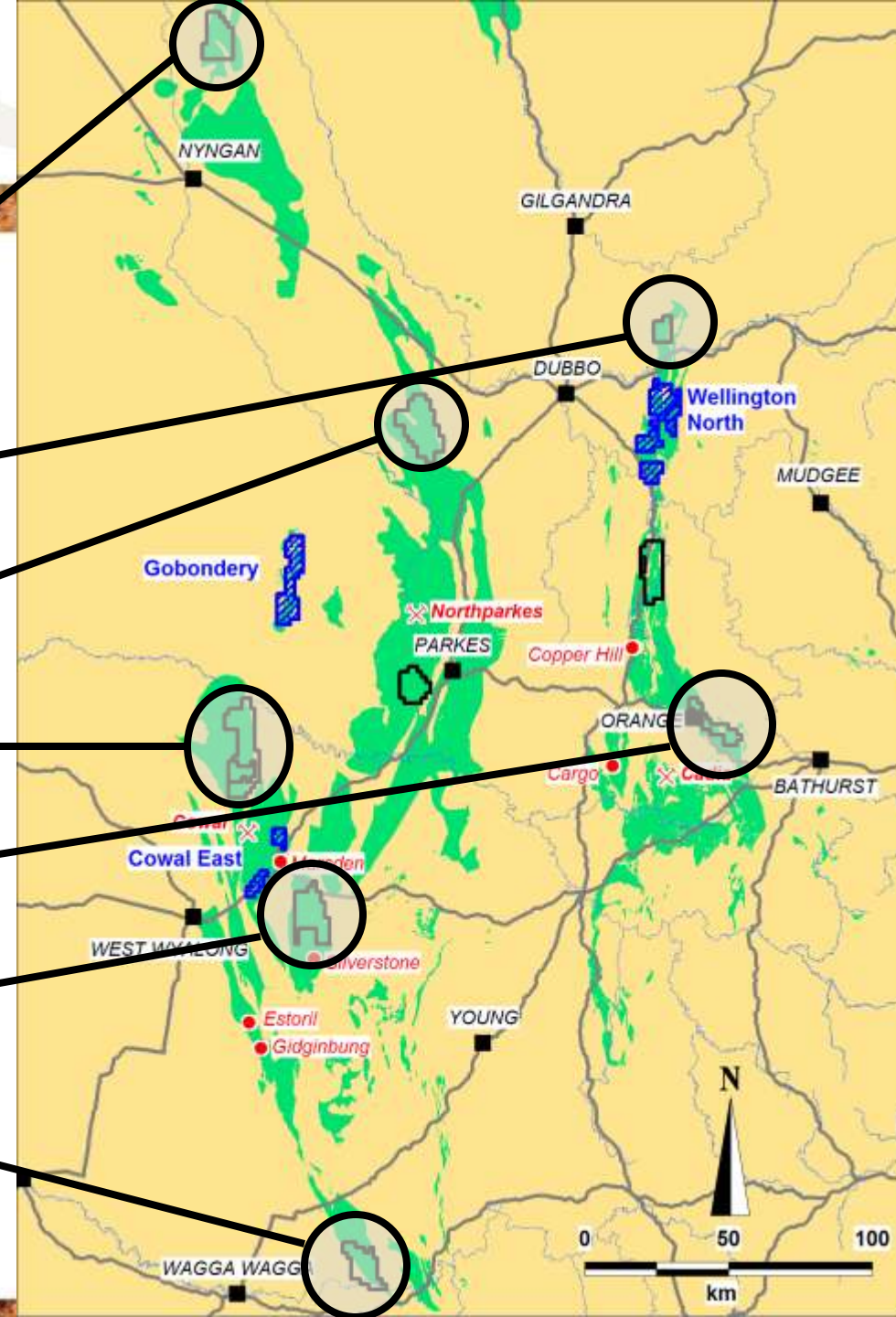
Myall EL6913 – drilling August 2008.

Fairholme EL6552 – drilling September – October 2008.

Orange East EL6181 – soil sampling August, drilling October 2008.

Currumburrama EL6784 – drilling September – October 2008.

Billabong Creek EL6802 – helimagnetics October 2008.



Wrap up



Strategic approach to targeting and aggressive exploration campaign underway

Projects are in highly mineralised terrains and exploration is well funded

The strategy is bearing fruit – promising early results as well as target turnover

Drilling from now until year end – consistent and sustained news flow

Looking forward to reporting positive results

Substantial upside in valuation with exploration success

Contact Details



Thank you

Mark Stewart

Managing Director

Clancy Exploration Ltd

+61 8 9481 8241

mark.stewart@clancyexploration.com

Ann M Nahajski

Investor Relations

Porter Novelli

+61 8 9386 1233

anahajski@wa.porternovelli.com.au