

CLANCY MOVES TO 100% OWNERSHIP OF TRUNDLE

Clancy to drill potential Northparkes style targets

Clancy Exploration Limited (ASX: CLY, Clancy) is pleased to announce that agreement has been reached with Western Plains Resources Ltd (ASX: WPG "Western Plains") to move to 100% ownership of the Trundle project in central NSW.

Clancy's Managing Director, Mr Mark Stewart, said that the acquisition of this property had been on Clancy's radar for close to two years and is a very pleasing addition to Clancy's A-Class Target portfolio in the Lachlan Fold Belt.

"There is an excellent exploration database available for the project, including high-resolution magnetic and gravity data, which we are processing and analysing at the moment. We hope to have this work completed in a couple of months, in readiness for a diamond drilling campaign in the December 2009 quarter. We believe this project has enormous potential and we are looking forward to reporting results from Trundle once drilling commences", said Mr Stewart.

The Trundle project has extensive evidence of porphyry and skarn-style copper-gold mineralisation associated with several Ordovician intrusive centres, similar to the Northparkes district located 25km to the east (Figure 2). Rio Tinto has been mining copper and gold from several porphyry deposits at Northparkes for a number of years.

Trundle is separated from the Northparkes district by a north-south trending Devonian rift basin. Interpretation of geophysical data suggests that Trundle may have originally been part of the Northparkes complex, which was subsequently dismembered during development of the rift.

"There's been quite a lot of previous drilling at Trundle, but most of that is shallow RAB or RC that has barely scratched the surface and there hasn't been much follow-up diamond drilling. Only 2% of the previous holes are deeper than 100m. So what the project really needs is a well targeted diamond drilling campaign. Having 100% ownership provides us with much greater flexibility when considering funding options for the project", said Mr Stewart.

In 2008 the project was explored by Calibre Mining Corporation (TSX-V: CXB "Calibre") under a farm in agreement with Western Plains. Clancy acquired Calibre's rights to earn an interest in the properties in May 2009. Calibre drilled 5 diamond holes (2,605m) into magnetic highs adjacent to the intrusive centres.

Several significant intercepts were returned from the drilling including 50m @ 0.12% Cu, 0.17g/t Au and 18m @ 0.35% Cu, 0.29g/t Au. A comparison of grades with magnetic susceptibility revealed that the highest copper and gold grades occur with low rather than high magnetic susceptibility. This opens up some significant space for higher grade mineralization on the flanks of the magnetic highs.

Several targets bear strong similarities to the Endeavour 22, 27 and Veedas porphyry deposits at Northparkes which have a characteristic 'bulls eye' magnetic low or high anomaly with anomalous copper and gold geochemistry in RAB / aircore drilling (Figure 1). This pattern can be seen at a number of prospects at Trundle and there are several other important copper-gold anomalies that remain poorly drilled or undrilled.

The deal with Western Plains provides for Clancy to issue 2.2 million shares to Western Plains at a nominal 15c per share and 1 million options with an exercise price of 20c which expire on 30 September 2011. The shares will be escrowed for 12 months. Western Plains will become a 3.2% shareholder in Clancy upon completion of the deal which is conditional on the transfer of the two Trundle tenements to Clancy. Importantly, Clancy will be acquiring 100% of the Trundle project and no other party will have the right to acquire any interest in the project as a result of this transaction.

“We are delighted with this acquisition and are looking forward to Western Plains coming on to our register as a large and very supportive shareholder,” said Mr Stewart.

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About Clancy Exploration

Clancy Exploration (ASX: CLY) is an Australian-focused copper, gold and base metals explorer. 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, base metal projects in the Mount Read Volcanic Belt of Tasmania, Nadbuck near Broken Hill and Yalgoo adjacent to the Golden Grove mine in Western Australia.

Details of Clancy's projects can be found at the website - www.clancyexploration.com

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.

Exploration is advanced through a mix of joint venture projects managed by Gold Fields and 100% owned projects managed by Clancy. This mix of Joint Venture and Clancy project funding allows a high level of exploration activity to be maintained, whilst prudently managing Clancy's financial resources.

Clancy's competitive advantages also include having one of the largest ground positions of any explorer in the prospective Macquarie Arc (~2700km²), and the innovative use of digital geological and geophysical data in probability based targeting.

About Trundle

In January 2008, Calibre entered into an Option Agreement with Western Plains to explore the Trundle property. Clancy acquired Calibre's rights in May 2009 and has now moved to 100% ownership by acquiring Western Plains interest. There is a combined 2%NSR payable to third parties on the Trundle project.

The Trundle project consists of two tenements and is located in the Macquarie Arc 25km west of Northparkes. The project covers an arc fragment that was rifted to the west off the Northparkes complex. There is extensive evidence of porphyry and skarn-style copper-gold mineralisation similar to Northparkes. Several prospects at Trundle have strong similarities to the porphyry deposits at Northparkes, with characteristic 'bulls eye' magnetic low or high anomalies with coincident anomalous copper and gold geochemistry. This pattern can be seen at a number of prospects at Trundle and there are several other important copper-gold anomalies that remain poorly drilled or undrilled. The project therefore has excellent potential for discovery.

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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.

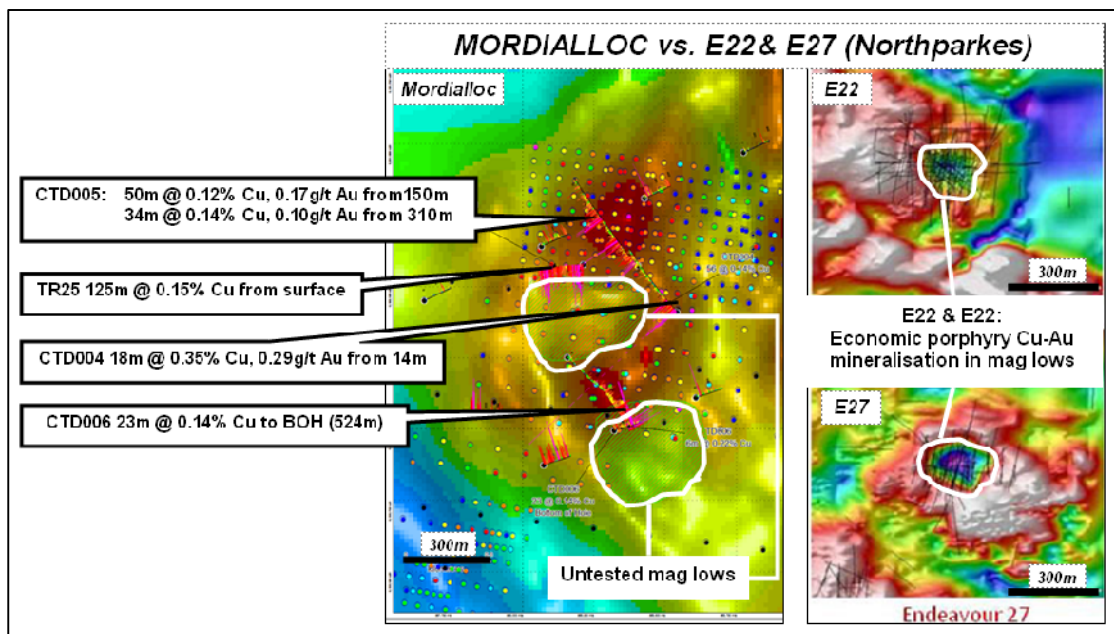


Figure 1 – Comparison of the magnetic anomaly at the Mordialloc prospect at Trundle (left) with the magnetic anomaly at the E22 and E27 porphyry copper-gold deposits at Northparkes (right). The economic mineralisation at E22 and E27 is within the magnetic low, which remain untested at Trundle. Note that the maps are the same scale.

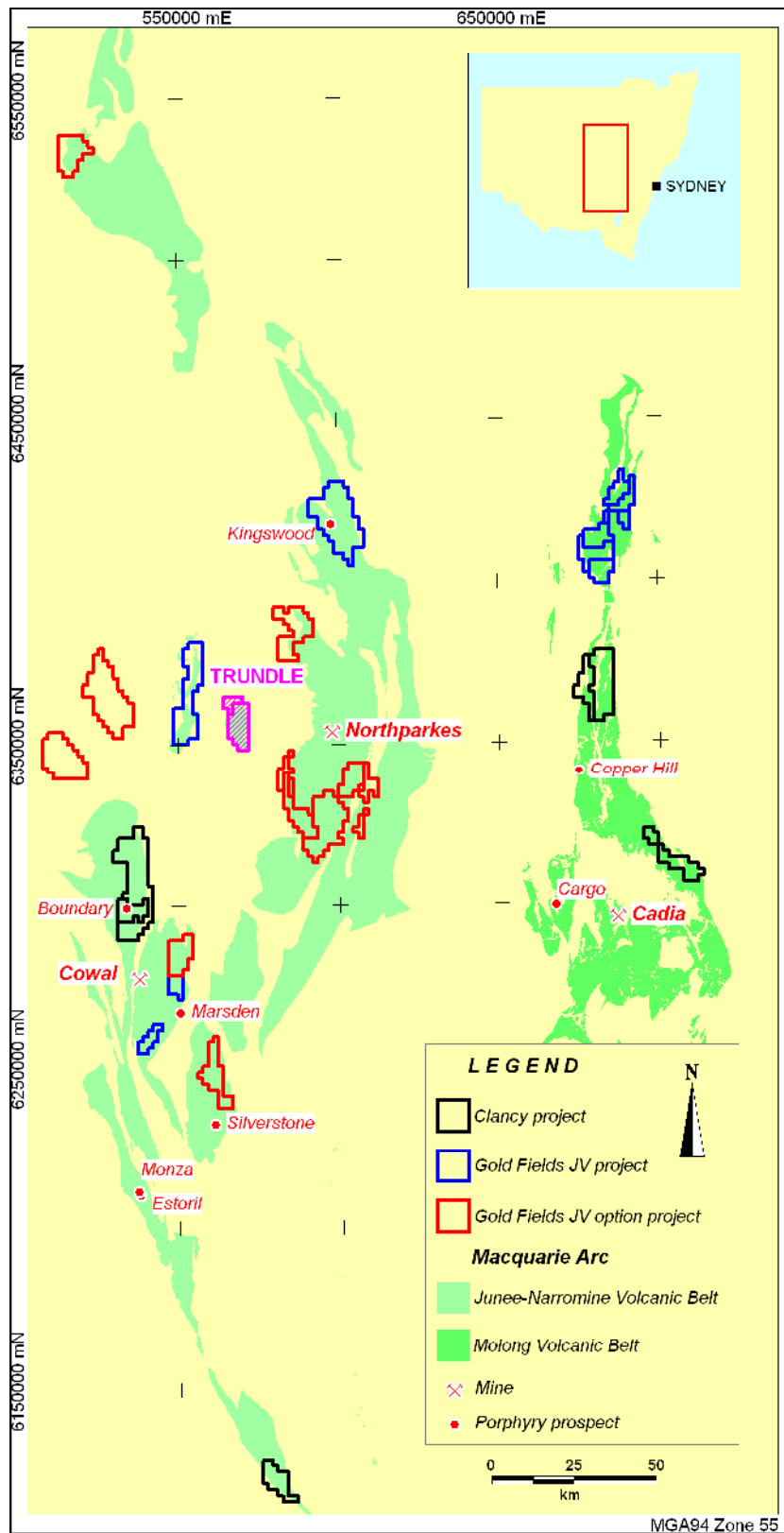


Figure 2 – Location of Clancy exploration tenements in the Macquarie Arc showing the location of the Trundle project (magenta). Inset – the location within NSW.