

EXPLORATION RESULTS CONTINUE TO FLOW AT CLANCY

Drilling Hits Broad Copper – Gold – Molybdenum Mineralisation From Surface

Clancy Exploration Limited (ASX: CLY) is pleased to announce more exciting drilling results from the Wellington North project in New South Wales. A second round of reverse circulation (RC) drilling was completed at the Rose Hill prospect, following up previously reported molybdenum intercepts. Results for five RC holes (1034m) drilled in October have been received and include the following intercepts:

73m @ 0.3g/t gold (Au) , 0.42% copper (Cu) and 59ppm molybdenum (Mo) from surface in RHRC005; including:

- 10m @ 0.66g/t Au, 0.95% Cu and 80ppm Mo from surface
- 8m @ 0.72g/t Au, 0.59% Cu and 27ppm Mo from 19m
- 2m @ 1.05g/t Au, 0.96% Cu and 96ppm Mo from 42m
- 9m @ 0.48g/t Au, 1.21% Cu and 238ppm Mo from 47m

52m @ 0.25g/t Au, 0.09% Cu in RHRC006 from 5m; including:

- 2m @ 4.19g/t Au, 0.52% Cu and 23ppm Mo from 21m
- 5m @ 0.53g/t Au, 0.25% Cu and 17ppm Mo from 46m

Clancy's Managing Director, Mr Mark Stewart, said that the latest drilling results at Rose Hill had identified significant mineralisation from surface in an area of little previous work despite the presence of nearby historical workings.

"These exploration results have confirmed that broad zones of porphyry copper-gold-molybdenum mineralisation occur at surface at Rose Hill, and the mineralisation remains open at depth," said Mr Stewart.


"When Clancy commenced work in the Macquarie Arc in 2004 there was a widely held view that it was a mature exploration terrain, and that near surface discoveries were unlikely. Our first drill program at Rose Hill has proven otherwise by clipping the edge of molybdenum mineralisation and we have now followed that result up with these broad intercepts."

"This not only highlights the potential of Wellington North, but also other parts of the Macquarie Arc that have been superficially explored by previous explorers."

"These results show we are on the right track with our targeting strategy and this bodes well for our other targets in the region. We are looking forward to reporting more positive drilling results from those targets in the next few weeks," said Mr Stewart.

"It is very pleasing for the company to be able to maintain a high pace of exploration activity in the current market climate, in such a prospective area as the Macquarie Arc."

"Far from suspending operations and shutting up shop, with the support of our joint venture partner Gold Fields we are continuing to progress our exploration ambitions. Our current strong position presents us with a number of other opportunities in the area," continued Mr Stewart.



Rose Hill is approximately 16km north-north-west of Wellington and 6.5km east of Geurie in central NSW. Clancy identified a highly-ranked target at Rose Hill from its innovative regional targeting work. Initial research showed that historically reported copper grades of over 30% were obtained from an 1880's era shaft that was subsequently back-filled. Mapping by Clancy identified primary sulphides in strongly magnetite-altered intrusive rocks surrounding Rose Hill and found that the only previous drilling in the area was very shallow broad-spaced aircore holes that were drilled in the 1990's.

Results Discussion

Full results are presented in Table 1. The second round drilling program was designed to follow-up the previously reported molybdenum intercept in hole RHRC002 (6m @ 0.18% Cu and 926ppm Mo), which was associated with strong magnetite alteration in diorite. A detailed ground magnetic survey was completed to define the extent of the magnetite alteration, which showed that RHRC002 was drilled oblique to a northwest-trending magnetic anomaly, and that its intercept was along strike of the molybdenum mineralisation. The magnetic survey also identified a much larger parallel magnetic anomaly immediately to the north which was untested (Figure 1). The azimuth for the second round drill program was rotated 80 degrees to 190 degrees in order to test the ground magnetic anomalies.

The first two holes (RHRC005 and 006) intersected significant amounts of chalcopyrite from surface with the results confirming that broad copper-gold-molybdenum intercepts occur within a broad zone (~150m true width) of intense magnetite alteration, which extends from surface and dips north at approximately 30 degrees. The mineralisation remains open at depth (Figures 1 and 2). The strike length of the mineralisation has not been fully defined, although two holes (RHRC007 and 008) were drilled approximately 140m to the east, and only one of these (RHRC008) intersected a narrow zone of mineralisation (Figure 1 and Table 1). Two holes (RHRC009 and 010) tested targets north of Rose Hill.

The mineralisation at Rose Hill is closely associated with strong K-feldspar and magnetite alteration in diorite. The highest copper and gold values are within 50m of surface with several 1m spear samples assaying >2% copper (maximum 5.13% copper) and >1g/t gold (maximum 7.37g/t gold). In contrast, the highest molybdenum values occur towards the bottom of the magnetite alteration envelope, e.g. 47m @ 254ppm Mo from 65m in RHRC005, including 12m @ 860ppm Mo from 79m; and 41m @ 313ppm Mo from 120m in RHRC006, including 9m @ 924ppm Mo from 123m (Table 1 and Figure 2), with individual samples up to 0.3% molybdenum (3000ppm). Further work is required to determine the significance of these trends.

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Wellington North Project

The Wellington North Project is a joint venture with Gold Fields Australasia Pty Ltd (earning 80%) and covers 301km² of the Macquarie Arc at the northern end of the Molong Volcanic Belt in central NSW. Clancy has identified a number of targets within the project area and has recently completed work on the Rose Hill, Tomkins, Comobella North and Dunbell targets. The Molong Volcanic Belt is highly prospective for Ordovician porphyry copper-gold systems, and it hosts the Cadia Valley Operations (Newcrest) near Orange which boasts a gold endowment of more than 35 million ounces from deposits such as Ridgeway, Cadia Hill and Cadia East.

About Clancy

Clancy Exploration (ASX: CLY) is an Australian-focused copper, gold and base metals explorer. Although a relatively recent 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.

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

Clancy's competitive advantages include having one of the largest ground positions of any explorer in the prospective Macquarie Arc (>3300km²), 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 on four projects in NSW (managed by Clancy) and with Bass Metals Limited on the Tasmanian tenement package (managed by Bass Metals). Clancy, in conjunction with Gold Fields, has spent over \$4.7 million on the Lachlan Fold Belt projects to date since listing, and on-going funding is assured via the continued strong support from Gold Fields.

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.

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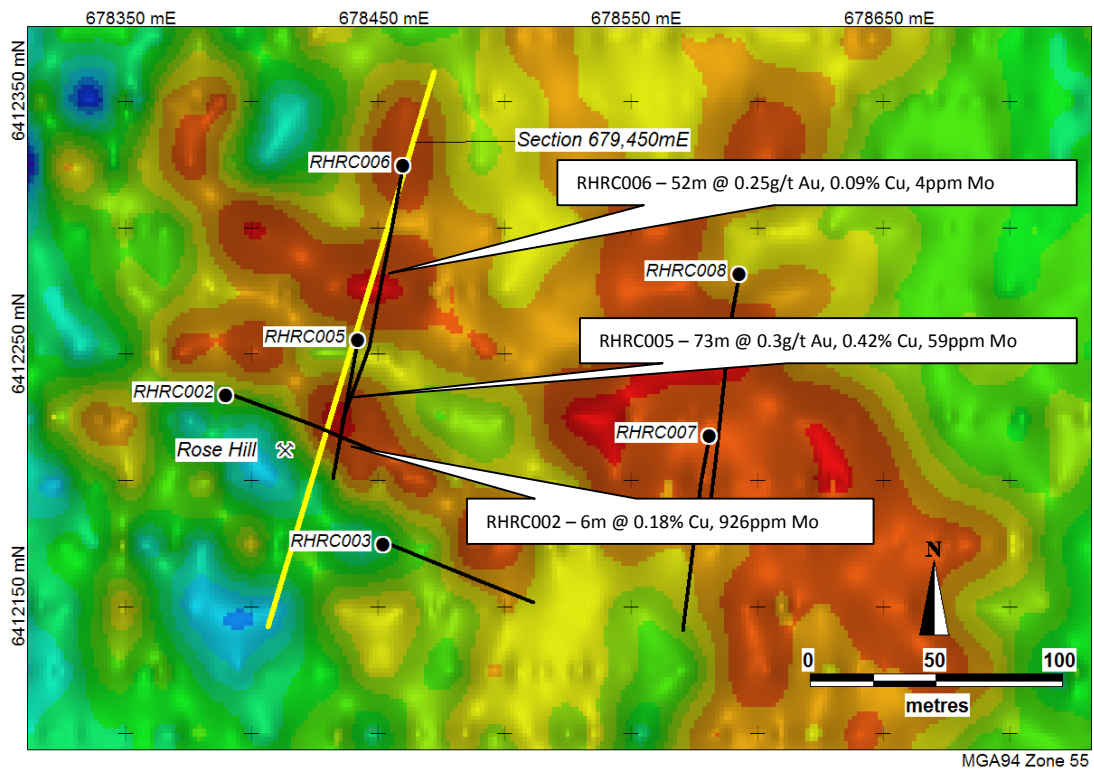


Figure 1 – Location of Rose Hill RC holes showing ground magnetic image and the section line 679,450mE (refer to Figure 2).

Table 1 – Rose Hill RC drilling results

Hole	East	North	Total Depth	Interval	from	Au (g/t)	Cu (%)	Mo (ppm)	Note
RHRC005	678442	6412257	113	73	0	0.3	0.42	59	1
			<i>including</i>	10	0	0.66	0.95	80	2
			<i>including</i>	8	19	0.72	0.59	27	2
			<i>including</i>	2	42	1.05	0.96	96	2
			<i>including</i>	9	47	0.48	1.21	238	2
			<i>including</i>	1	61	0.04	0.30	5	2
			<i>including</i>	1	65	0.27	0.25	248	2
				47	65	0.03	0.04	254	3
			<i>including</i>	12	79	0.02	0.05	860	4
RHRC006	678460	6412326	225	52	5	0.25	0.09	4	1
			<i>including</i>	2	21	4.19	0.52	23	2
			<i>including</i>	5	46	0.53	0.25	17	2
				14	62	0.21	0.42	5	1
			<i>including</i>	7	66	0.39	0.78	6	2
				16	82	0.03	0.10	23	1
			<i>including</i>	1	92	0.15	0.78	62	2
				41	102	0.1	0.2	313	3
			<i>including</i>	9	123	0.18	0.54	924	4
				37	103	0.11	0.22	344	1
			<i>including</i>	1	103	0.6	1.55	872	2
<i>including</i>	5	124	0.29	0.84	1217	2			
<i>including</i>	3	134	0.35	0.19	164	2			
RHRC007	678581	6412219	165	No significant assays					
RHRC008	678593	6412283	189	3	63	0.17	0.11	4	1
RHRC009	678516	6412568	225	1	211	0.04	0.27	17	2
RHRC010	679596	6413414	117	No significant assays					

Note – The above intercepts are based on one metre spear RC samples. Italicised text refers to sub-intervals. 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. All intervals have a maximum 2m of internal dilution based on the following cutoffs: 1 – 250ppm Cu; 2 – 2000ppm Cu; 3 – 10ppm Mo; and 4 – 500ppm Mo.

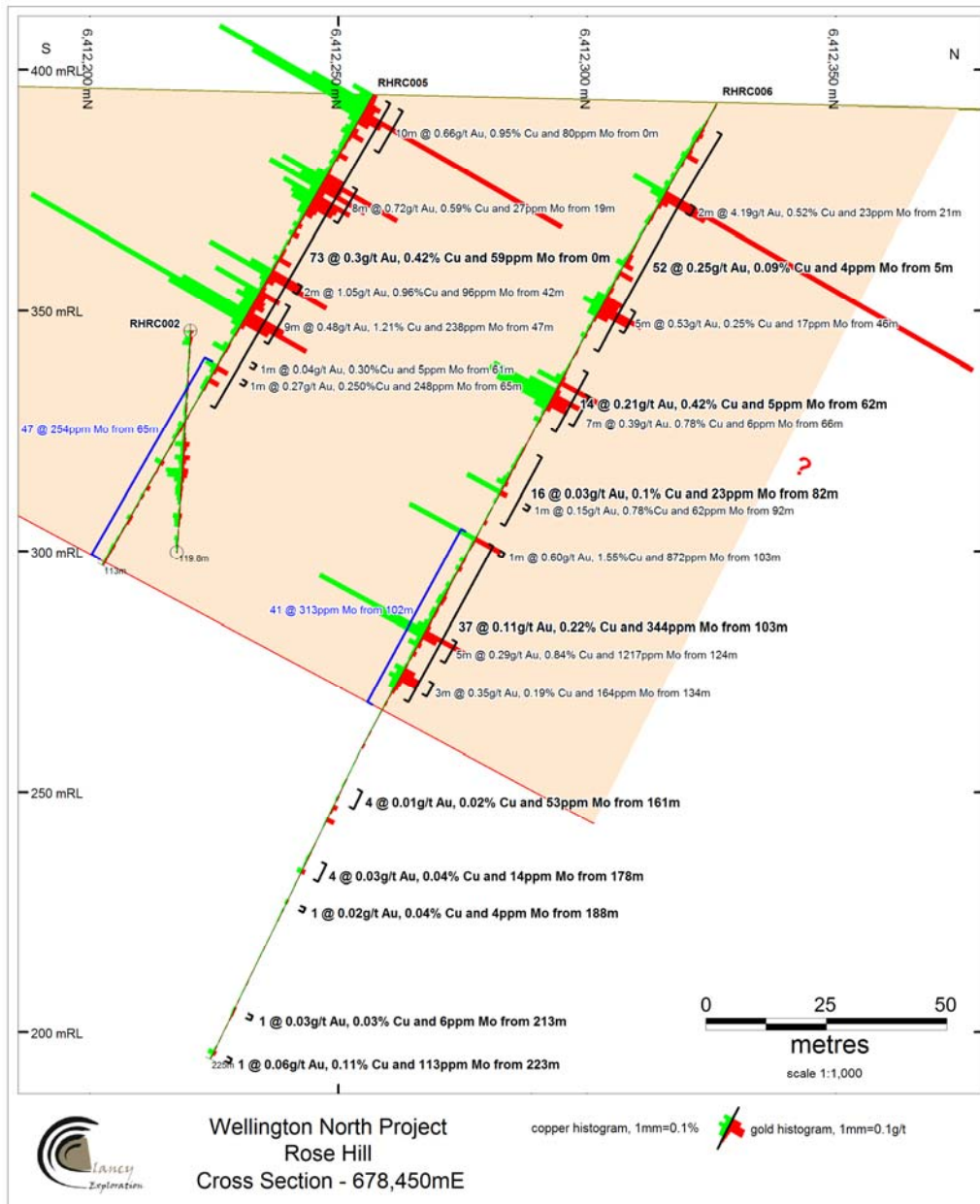


Figure 2 – Rose Hill cross section 678,450mE showing significant intercepts