

CLANCY EXTENDS COPPER AND GOLD INTERSECTIONS IN FIRST DIAMOND HOLE AT MYALL

Clancy Exploration Limited (ASX: CLY) is pleased to announce further positive drilling results at the new copper-gold discovery at the Kingswood prospect within the Myall project in NSW. An intercept from the upper part of the first diamond hole (MYACD001) of 42m @ 0.7% copper and 0.23g/t gold was recently released to the market. Results have now been received for the remaining part of MYACD001. The width of the previously reported intercept has increased and a new zone of copper-gold mineralisation has been defined at depth. The updated results include the following significant intercepts (Figure 1):

**70m @ 0.54% copper, 0.15g/t gold from 141m, including;
52m @ 0.67% copper, 0.20g/t gold from 144m; and**

**62m @ 0.27% copper, 0.13g/t gold from 260m, including;
10m @ 0.64% copper, 0.61g/t gold from 268m.**

Clancy's Managing Director, Mr Mark Stewart said that Clancy is extremely pleased and excited by such strong results from the first diamond hole at the prospect, with the stronger gold mineralisation in the lower vein zone being particularly encouraging.

"The copper-gold intersections are associated with the two vein zones that we reported to the market on 15th April 2009. The vein zones are separated by a broad zone of faulting and strong fracturing and the lower zone has a higher gold content. There is significant upside here because this is the first proper test of the basement in what is a large zone of alteration and copper anomalism defined by our previous aircore drilling. Gold Fields, our joint venture partner, is now managing the project and we are keenly anticipating further positive results as they ramp up activity at this exciting prospect," Mr Stewart said.

A full list of results from MYACD001 is presented in Table 1.

-ENDS-

Please direct enquiries to:

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

Shane Murphy
FD Third Person
Tel: +61 8 9386 1233
Mob: +61 (0)420 945 291

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.

Table 1 – Significant copper and gold intersections from diamond hole MYACD001 at the Kingswood prospect.

Hole ID	Easting	Northing	Dip	Azimuth		
MYACD001	597784	6418627	-60	243		
Sub-interval	From	To	Width (m)	Cu (%)	Au (g/t)	Mo (ppm)
	103	138	35	0.26	0.02	6.11
<i>including</i>	111		4	0.34	0.02	1.25
<i>including</i>	128		8	0.35	0.03	17.91
	141	211	70	0.54	0.15	11.96
<i>including</i>	144		52	0.67	0.20	12.73
<i>including</i>	203		1	0.32	0.01	18.65
	214	224	10	0.15	0.01	4.89
	229	232	3	0.16	0.01	1.80
	239	249	10	0.19	0.02	3.59
<i>including</i>	246	248	2	0.35	0.05	4.32
	260	322	62	0.27	0.13	6.49
<i>including</i>	268	278	10	0.64	0.61	4.15
<i>including</i>	280		1	0.32	0.03	21.70
<i>including</i>	283		1	0.31	0.03	6.13
<i>including</i>	286		1	0.31	0.32	3.82
<i>including</i>	289		1	0.36	0.04	6.45
<i>including</i>	297		1	0.35	0.03	2.89
<i>including</i>	302		1	0.41	0.07	6.20
	325	328	3	0.10	0.01	7.47
	332	333	1	0.11	0.00	13.50
	349	350	1	0.10	0.00	2.32
	363	364	1	0.15	0.01	19.40
	378	381	3	0.19	0.01	5.94
	398	401	3	0.41	0.01	23.62
<i>including</i>	399		1	0.83	0.02	40.10
	404	405	1	0.12	0.01	5.19

Note –The intercepts are based on a 0.1% Cu cutoff with a maximum of 2m of contiguous internal dilution. Samples down to 123m are four metre composite spear samples in the aircore precollar, breaking down to smaller intervals at bottom of the precollar. The diamond intercepts are based on one metre half sawn core. Intercepts that include aircore and core samples are weighted by sample interval. Italicised text refers to sub-intervals using a 0.3% Cu cutoff. Intercepts in bold are >10m drilled width. 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.

About Myall

Myall (EL6913) is located 25km southwest of Narromine within the Narromine Igneous Complex at the northern end of the Junee-Narromine Volcanic Belt of the Macquarie Arc. The Junee-Narromine Volcanic Belt hosts the Northparkes copper-gold mine. At Northparkes, the geophysical anomaly is a coincident regional gravity low and magnetic high and the geochemical anomaly is a broad zone of anomalous copper (>500ppm) over >7km². The scale of the Myall geophysical and geochemical anomalies is similar.

Myall is a Joint Venture between Clancy Exploration Limited and Gold Fields. Under the terms of the agreement, Gold Fields has the right to earn 51% of the project by funding A\$3 million over three years with A\$500,000 minimum commitment in the first year. Gold Fields has recently taken over management of the joint venture.

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.

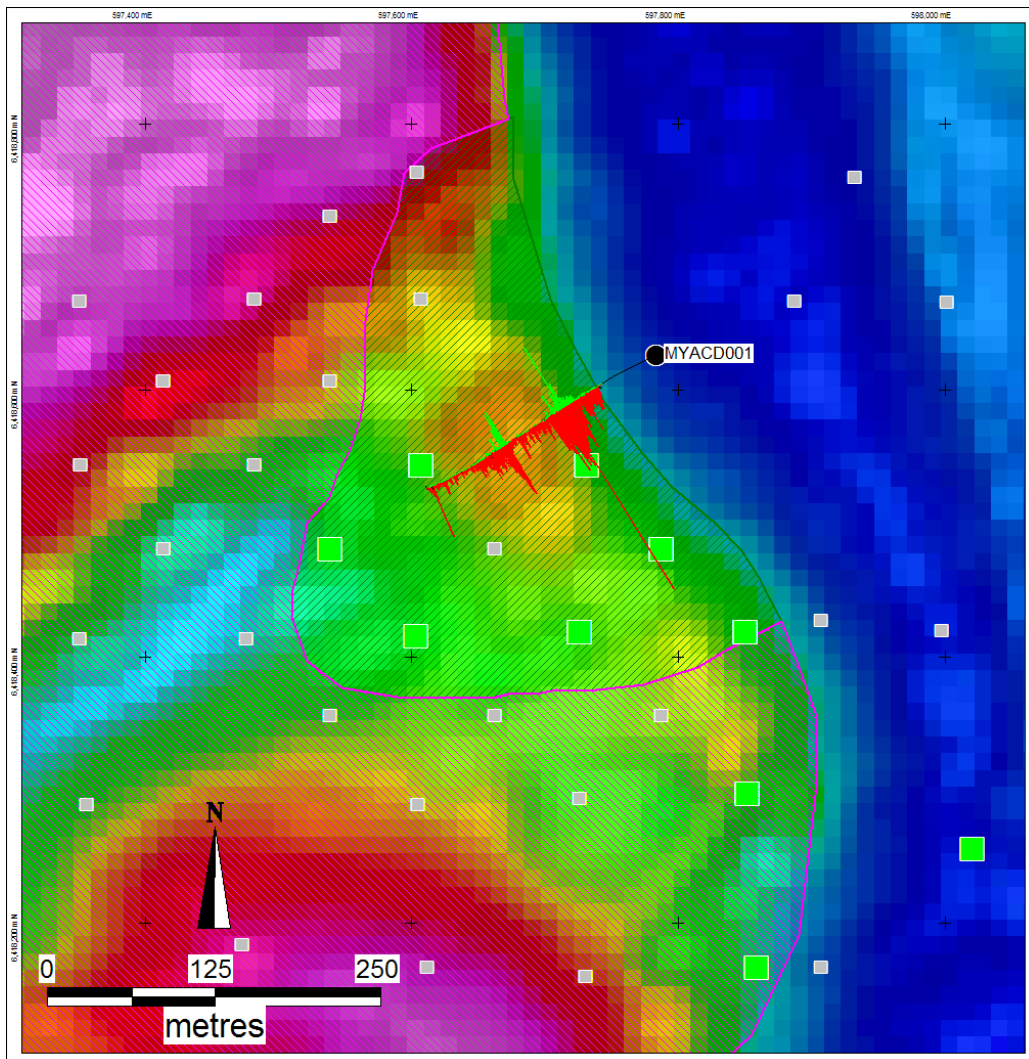
Details of Clancy's projects can be found at the website - www.clancyexploration.com

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.

Clancy's strategic partner in the Lachlan Fold belt is Gold Fields Limited, one of the world's largest gold producers. Exploration is advanced through a mix of joint venture projects now 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 (~3000km²), and the innovative use of digital geological and geophysical data in probability based targeting.

Figure 1 – Myall EL6913 summary of drilling and RTP 1VD magnetics



Recent Kingswood air core drilling and diamond drilling results on RTP 1VD magnetics. Large green squares represent bottom of hole copper values >1000ppm in air core holes and the red histogram scale is copper 1000ppm=1mm and the green gold 0.1g/t=3mm. The pink hatched area represents quartz-sericite-pyrite alteration and the green hatching, intense chlorite alteration and native copper mineralisation.