**ASX/ Media Announcement**
**9 March 2010**

# TRUNDLE EXPLORATION UPDATE
## Data review completed and geophysical surveys in progress

**Clancy Exploration Limited** (ASX: CLY) is pleased to announce the completion of a comprehensive review of previous exploration and the commencement of field activities at its 100% owned Trundle project (EL4512 and EL7187) in New South Wales.

**Highlights:**

- Large gaps in previous data compilations identified – several highly significant drill intercepts were previously overlooked, including the following from Trundle Park:
  - 60m @ 0.54g/t Au from 1m
  - 51m @ 0.58g/t Au, 0.14% Cu from 33m
  - 27m @ 0.54g/t Au, 0.27% Cu from 12m
  - 39m @ 0.55g/t Au, 0.14% Cu from surface
  - 35m @ 0.55g/t Au, 0.25% Cu from 12m
- The above intercepts are from a gold-rich magnetite skarn at Trundle Park, which is similar in style to the Big Cadia skarn at Newcrest's Cadia Valley operations.
- The skarn intercepts are immediately above a substantial chargeable IP anomaly, suggesting a deeper sulphide-rich source area is nearby.
- There are numerous significant bottom of hole drill intercepts that have never been followed up, such as:
  - 11m @ 1.24g/t Au, 0.36% Cu at Trundle Park
  - 1m @ 1.99g/t Au at Mordialloc
- The historical drilling database contains 580 intersections >0.1g/t Au and 224 intersections >0.1% Cu.
- Only 2.8% of previous holes are >50m, highlighting the excellent scope for mineralization at depth.
- Three prospects identified for immediate follow-up:
  - Mordialloc
  - Trundle Park
  - Ravenswood
- A ground magnetic survey has been completed at Ravenswood, and IP surveys at Mordialloc and Trundle Park will commence shortly.
- Drilling will commence in April 2010.

Clancy's Managing Director Mark Stewart said the review was a necessary first step in preparation for an active field campaign, which is now underway. "We have always believed in the potential of the Trundle project to host a significant porphyry system and the data review has certainly confirmed that potential and has thrown up some obvious targets for immediate follow-up. We are doing some geophysics now to firm up those targets and we would hope to be drilling them next month", Mr Stewart said.

**Data Review**

The Trundle project has been explored by numerous companies and several joint ventures since 1984. Most of the previous work was undertaken before the systematic use of digital databases and GIS software, and prior to the development of modern geophysical inversion routines. Consequently, substantial amounts of drilling, geological and geochemical data were never digitised, and advanced geophysical processing, such as inversion modelling had not been undertaken previously.

The review highlighted significant gold and copper drilling intercepts, many of which have never been followed up. Large gaps in previous data compilations were identified resulting in several highly significant drill intercepts being overlooked in previous assessments (Table 1). There is a substantial amount of historical drilling (2,187 drill holes) at Trundle, however most of this consists of shallow RAB holes. Only 2.8% of holes in the Trundle project are deeper than 50m, highlighting the excellent scope for mineralization at depth.

**Table 1** – Some significant drill intercepts identified by the Trundle data review

| Prospect | Hole ID | Intersection | Hole Type |
|---|---|---|---|
| Trundle Park | PCH09* | 60m @ 0.54g/t Au from 1m | Percussion |
| Trundle Park | PPT3* | 51m @ 0.58g/t Au 0.14% Cu from 33m | Percussion |
| **Trundle Park** | **PCH10*** | **39m @ 0.55g/t Au 0.14% Cu from 0m** | **Percussion** |
| **Trundle Park** | **PCH11*** | **35m @ 0.59g/t Au 0.25% Cu from 12m** | **Percussion** |
| Trundle Park | PPT2* | 27m @ 0.54g/t Au 0.27% Cu from 12m | Percussion |
| **Trundle Park** | **CHEP-1** | **25.45m @ 0.71g/t Au from 14.85m** | **Diamond** |
| Trundle Park | PCH05* | 17m @ 0.79g/t Au 0.29% Cu from 0m | Percussion |
| Trundle Park | PCH05* | 26m @ 0.72g/t Au 0.18% Cu from 28m | Percussion |
| **Trundle Park** | **LC119** | **1m @ 2g/t Au 0.35% Cu from 3m** | **RAB** |
| **Mordialloc** | **GP301** | **1m @ 1.99g/t Au from 59m** | **RAB** |
| **Trundle Park** | **PD217** | **1m @ 1.99g/t Au 0.22% Cu from 4m** | **RAB** |
| **Trundle Park** | **TR143*** | **11m @ 1.24g/t Au 0.36% Cu from 3m** | **AC** |
| **Trundle Park** | **TR198** | **6m @ 1.04g/t Au from 0m** | **AC** |
| **Trundle Park** | **GP216** | **1m @ 0.8g/t Au 0.11% Cu from 12m** | **RAB** |
| **Trundle Park** | **LC128** | **1m @ 0.8g/t Au 0.11% Cu from 3m** | **RAB** |
| **Trundle Park** | **LC045** | **1m @ 0.79g/t Au from 3m** | **RAB** |
| **Trundle Park** | **GP234** | **1m @ 0.74g/t Au from 20m** | **RAB** |
| **Trundle Park** | **LC127** | **1m @ 0.74g/t Au from 3m** | **RAB** |
| **Trundle Park** | **LC094** | **1m @ 0.71g/t Au 0.23% Cu from 3m** | **RAB** |
| **Trundle Park** | **PCH12** | **6m @ 0.65g/t Au 0.5% Cu from 39m** | **RAB** |
| **Trundle Park** | **GP214** | **1m @ 0.62g/t Au 0.15% Cu from 34m** | **RAB** |
| **Trundle Park** | **LC118** | **1m @ 0.62g/t Au 0.15% Cu from 3m** | **RAB** |
| **Trundle Park** | **TD046** | **10m @ 0.58g/t Au from 109m** | **RC** |
| **Trundle Park** | **LP025** | **1m @ 0.55g/t Au 0.22% Cu from 30.5m** | **RAB** |
| **Trundle Park** | **PD177** | **1m @ 0.55g/t Au 0.22% Cu from 23.5m** | **RAB** |
| **Trundle Park** | **LC114** | **1m @ 0.52g/t Au 0.14% Cu from 3m** | **RAB** |
| **Mordialloc** | **GP302** | **1m @ 0.51g/t Au 0.1% Cu from 13m** | **RAB** |

Notes: Drillholes in bold have not been tested at depth. Drill holes with an asterix (*) are results that were overlooked in previous data compilations. Copper values were calculated using a 0.1% Cu cutoff and no more than 2 m of internal dilution. Gold intercepts were calculated with a 0.1 g/t Au cutoff. Refer to Appendix I for hole location data.

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The compiled and validated drilling database contains 580 intersections greater than 0.1g/t gold and 224 intersections greater than 0.1% copper. The tenor and style of many intercepts are consistent with those that may be expected in the outer zone of gold rich Ordovician porphyry systems. Some of the larger gold intercepts listed in Table 1 (e.g. PCH09) are associated with magnetite skarn, similar in style to the Big Cadia skarn that is peripheral to the Cadia porphyry copper-gold deposits.

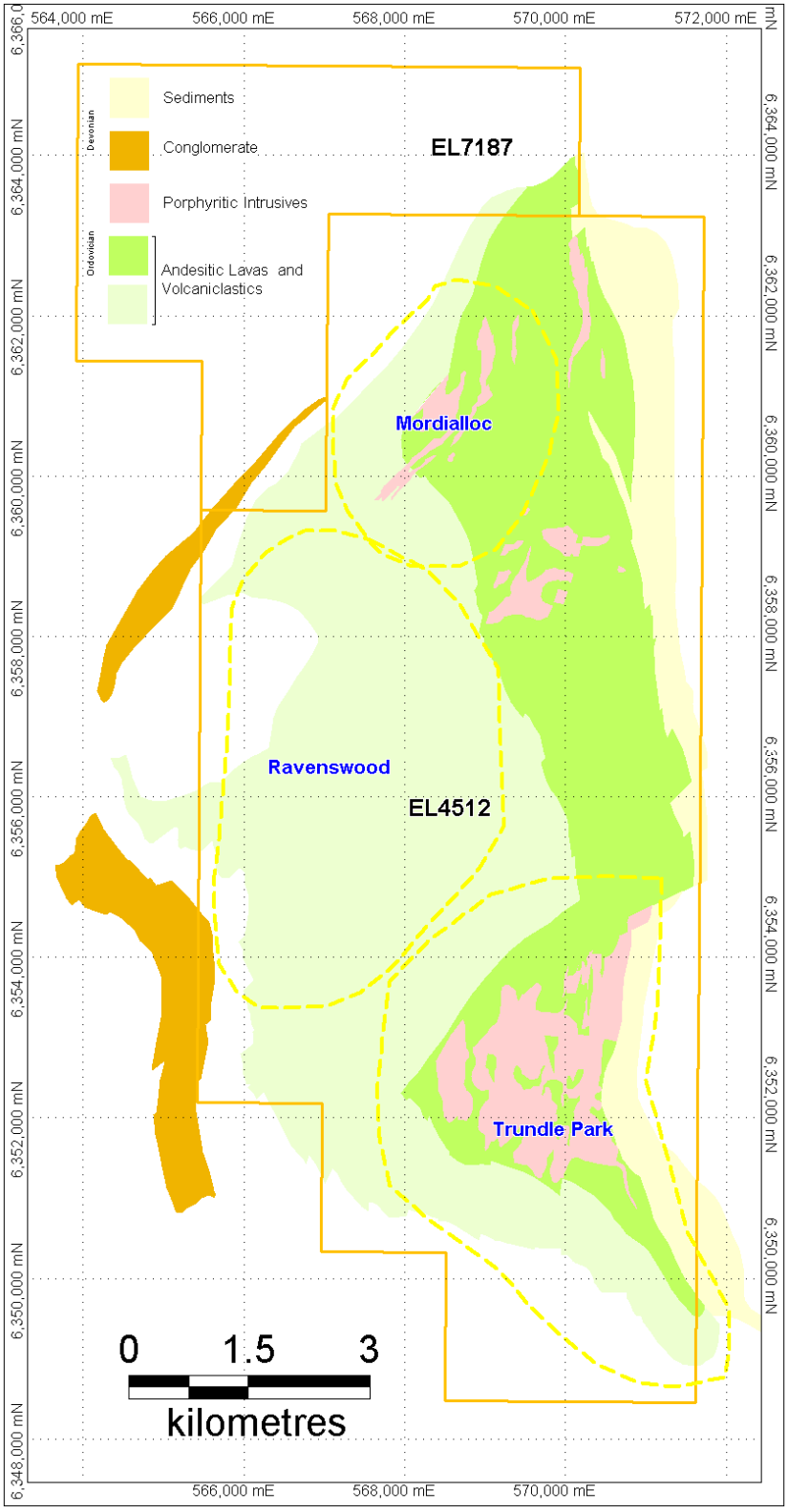


***Figure 1-*** *Trundle Project simplified surface geology.*

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## Trundle Park

The data for a previous IP section collected in 1989 on local grid line 10400N was inverted using 2D algorithms that were unavailable to previous explorers. The inversion generates a scaled model with depth and width properly constrained, in contrast to the pseudosection model used by the previous explorer.

Significant >50mv/V chargeable anomalies has been defined at approximately 100m depth that are up to 500m wide (Figure 2). Most of the previous drilling did not test the chargeable anomalies and significantly, two holes that entered the upper part of one the anomalies showed increasing pyrite downhole. This may represent a pyrite halo in peripheral phyllic style alteration very close to the skarn gold intersections in Table 1, implying the presence of a sulphide-rich source potentially related to a porphyry system at depth.

A 3D IP survey will commence shortly which will accurately define the chargeable anomalism in three dimensions to a depth of 700m, providing future drill targets.

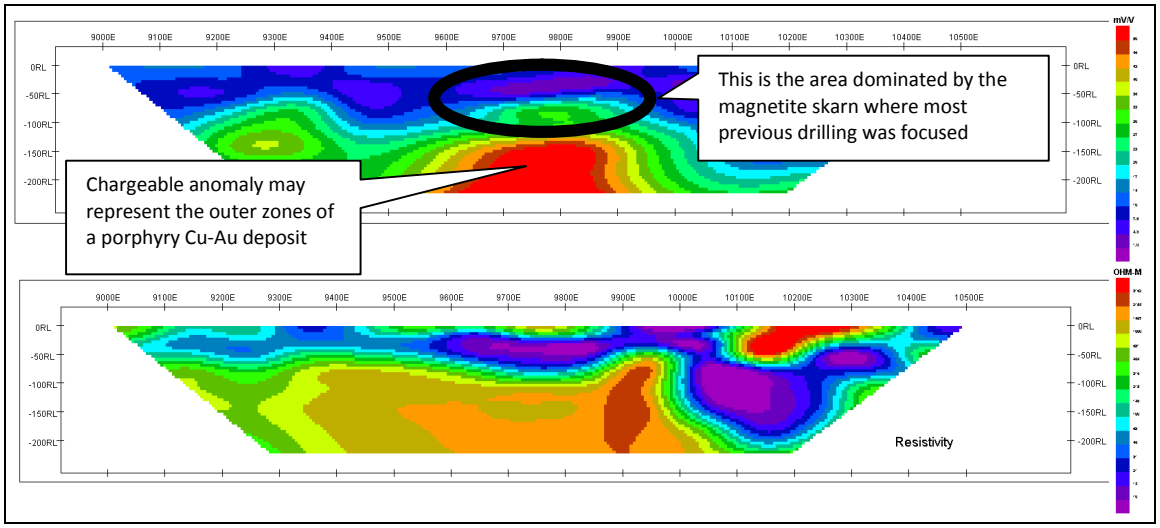


***Figure 2-*** *Trundle Park local grid IP Section 10400N showing 2D inversion model. Upper section shows chargeability (red = >50mv/V) and the lower section shows resistivity.*

## Mordialloc

The Mordialloc Prospect has a history of small scale mining from the early 1900's when shafts were developed on quartz chalcopyrite vein breccias. Previous drilling intersected broad low grade copper-gold mineralisation over wide intervals; e.g. drill hole TR48:120m @ 0.07g/t Au and 0.13 % Cu[1]. Drill hole CTD006 drilled by Calibre Mining in 2008 to a depth of 524.35m tested a magnetic high. The hole successfully tested the magnetite alteration, which was un-mineralised. However, the intensity of gold, copper and molybdenum mineralisation and accompanying alteration increased downhole (Figure 3).

The bottom part of CTD006 returned the following intercept: 48m @ 0.12g/t Au, 0.14% Cu and 40ppm Mo from 478m[1]. The intercept is associated with quartz-chalcopyrite-pyrite-molybdenite veins with K-feldspar selvages, indicative of the margin of a porphyry copper-gold system, and is open in all directions.

The collar for CTD006 has been located in the field and a re-entry will be attempted to extend the hole through the zone of interest. A 3D IP survey will commence shortly, which will assist with further drill targeting at Mordialloc and drilling is scheduled for April 2010.

[1] Based on 0.05% Cu cutoff and maximum 2m of internal dilution

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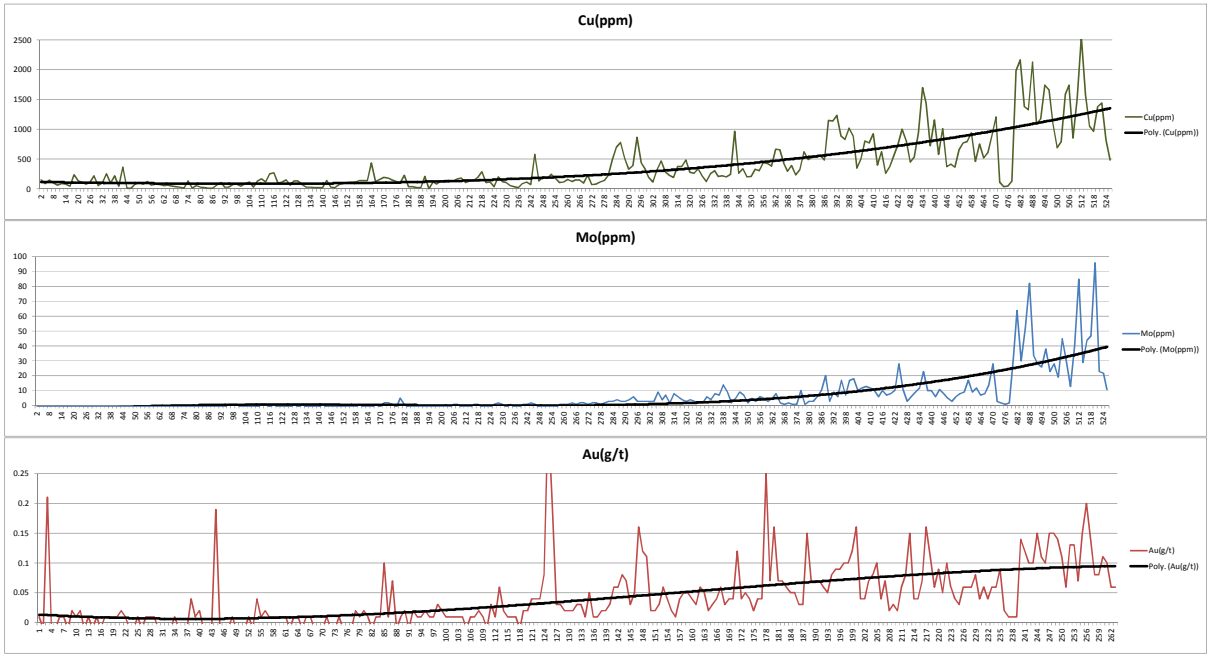


***Figure 3-*** *CTD006 assays showing increasing trend of copper (top), molybdenum (middle) and gold (bottom) downhole. Assay values in ppm. Scales: Cu – 0-2500ppm; Mo – 0-100ppm; and Au – 0-0.25ppm (g/t)*

## Ravenswood

The Ravenswood Prospect has had relatively little exploration in comparison to Mordialloc and Trundle Park. Data from a previous 500m offset ground gravity survey has been re-processed and a large gravity low bisected by a significant north-south structure has been defined in the central west of EL4512 (Figure 4).

The large roughly circular gravity low may represent a deep seated intrusive, possibly the core of a magma chamber. Similar gravity lows are present at Northparkes. A detailed ground magnetic survey has been completed and is currently being processed.

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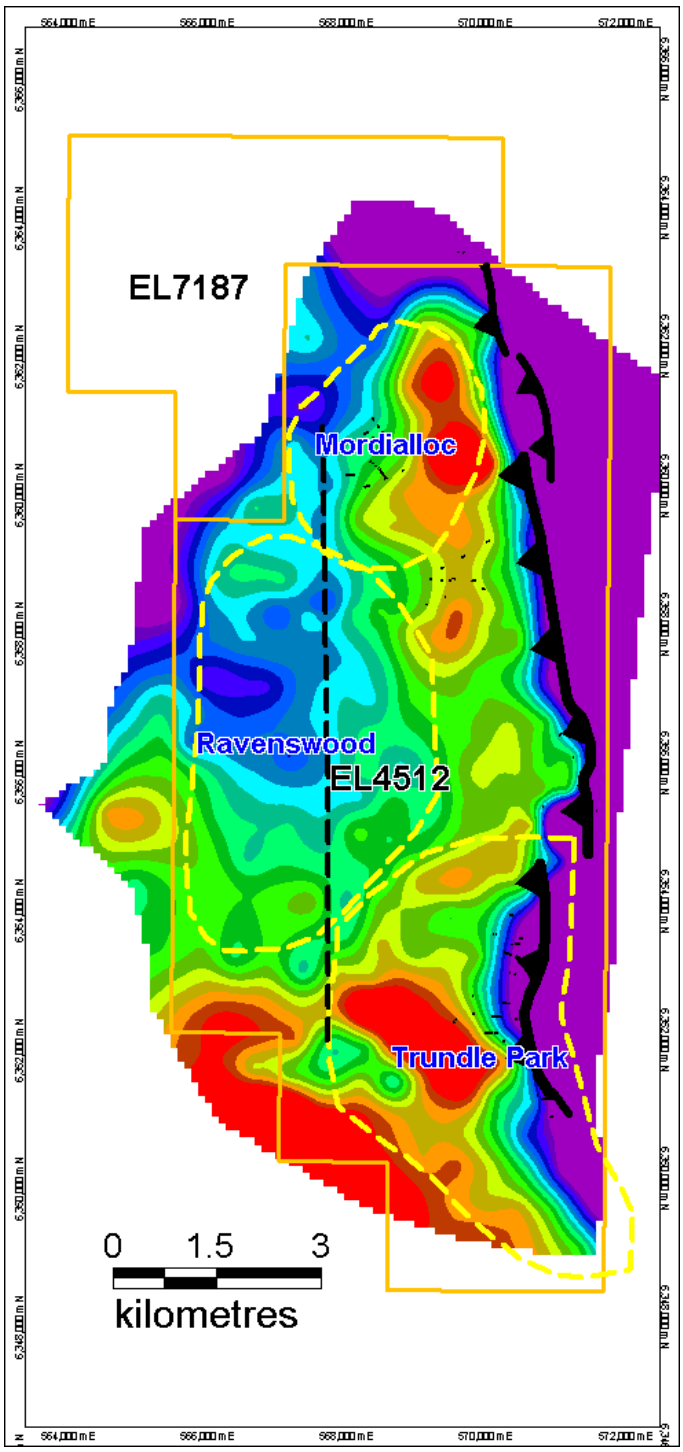


***Figure 4-*** *Re-processed residual gravity image for the Trundle Project. Note the gravity low at Ravenswood.*

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## Appendix I – Location of the drill holes listed in Table 1

| Prospect | Hole ID | Company | Easting (GDA94) | Northing (GDA94) | Hole Depth |
|---|---|---|---|---|---|
| Trundle Park | PCH09* | Geopeko | 569931 | 6352231 | 61 |
| Trundle Park | PPT3* | Placer Pacific | 569976 | 6352174 | 121 |
| Trundle Park | PCH10* | Geopeko | 569991 | 6352121 | 73 |
| Trundle Park | PCH11* | Geopeko | 569967 | 6352125 | 73 |
| Trundle Park | PPT2* | Placer Pacific | 569952 | 6352177 | 129 |
| Trundle Park | CHEP-1 | Newcrest | 570355 | 6352376 | 149.5 |
| Trundle Park | PCH05* | Geopeko | 569998 | 6352171 | 54 |
| Trundle Park | PCH05* | Geopeko | 569998 | 6352171 | 54 |
| Trundle Park | LC119 | Lachlan Resources | 569968 | 6352124 | 7 |
| Mordialloc | GP301 | Geopeko | 567762 | 6359662 | 60 |
| Trundle Park | PD217 | Placer Pacific | 570144 | 6353621 | 5 |
| Trundle Park | TR143* | Newcrest | 569565 | 6352434 | 14 |
| Trundle Park | TR198 | Newcrest | 570777 | 6351227 | 25 |
| Trundle Park | GP216 | Geopeko | 570010 | 6352069 | 13 |
| Trundle Park | LC128 | Lachlan Resources | 570011 | 6352068 | 7 |
| Trundle Park | LC045 | Lachlan Resources | 570870 | 6351143 | 7 |
| Trundle Park | GP234 | Geopeko | 570003 | 6352019 | 21 |
| Trundle Park | LC127 | Lachlan Resources | 570005 | 6352018 | 7 |
| Trundle Park | LC094 | Lachlan Resources | 569898 | 6351981 | 7 |
| Trundle Park | PCH12 | Placer Pacific | 569942 | 6352128 | 67 |
| Trundle Park | GP214 | Geopeko | 569960 | 6352075 | 35 |
| Trundle Park | LC118 | Lachlan Resources | 569962 | 6352074 | 7 |
| Trundle Park | TD046 | Newcrest | 569463 | 6352334 | 121 |
| Trundle Park | LP025 | Lachlan Resources | 570494 | 6352559 | 31.5 |
| Trundle Park | PD177 | Placer Pacific | 570438 | 6353937 | 24.5 |
| Trundle Park | LC114 | Lachlan Resources | 569944 | 6352127 | 7 |
| Mordialloc | GP302 | Geopeko | 567810 | 6359654 | 14 |

-ENDS-

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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.*

## About Trundle

Clancy acquired 100% of Trundle project via transactions with Calibre Mining and Western Plains Resources in 2009. There is a combined 2%NSR payable to third parties on the Trundle project. The 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.

## 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 has four joint venture and eight joint venture option projects with Gold Fields Australasia Pty Ltd in the Lachlan Fold belt. 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 (~2700km$^2$), and the innovative use of digital geological and geophysical data in probability based targeting.

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