

CLANCY EXPANDS A-CLASS TARGET HOLDINGS WITH TRUNDLE ACQUISITION

Clancy Exploration Limited (ASX: CLY) is pleased to announce another expansion of its A-Class target holdings in the Lachlan Fold Belt in New South Wales, with the acquisition of an interest in the Trundle project.

The Trundle project is located in central NSW and covers a highly-ranked A-Class target which hosts several promising porphyry copper-gold prospects (Figure 1).

Clancy has signed a conditional agreement effectively giving it the right to earn a 70% interest in the Trundle project by completing exploration expenditure of approximately \$2 million over two years. The agreement is with the Australian subsidiary of Calibre Mining Corporation (TSX-V: CXB "Calibre").

A-Class targets are exploration targets that Clancy has determined offer the best probability for a significant mineral discovery, based upon rigorous analysis and probabilistic modelling. Clancy's targeting method has been recently validated with the significant drill intercepts obtained from early drill programs at the Myall, Cowal East and Wellington North JV's in NSW.

The acquisition increases Clancy's A-Class target holdings in the Macquarie Arc of the Lachlan Fold Belt and cements Clancy's position as a significant tenement holder in New South Wales with over 3000km² held under licence once the Calibre tenements have been transferred.


Clancy's Managing Director, Mr Mark Stewart, said that the acquisition continues Clancy's strategy of controlling as many A-Class targets as possible and to have those targets systematically tested by Clancy and its joint venture partner Gold Fields. Both Clancy and Gold Fields have established exploration teams based in Orange, NSW, to rapidly undertake the testing of exploration targets.

"Clancy has been aggressively exploring copper-gold targets in the Macquarie Arc since 2004 and our regional targeting work has identified exactly where we want to be. The Trundle acquisition brings a highly-ranked A-Class target into our portfolio, which we believe has many similarities to the Northparkes district located 25km to the east, where Rio Tinto has been mining copper and gold for a number of years", said Mr Stewart.

The Trundle project has extensive evidence of porphyry- and skarn-style copper-gold mineralisation associated with several Ordovician intrusive centres. Previous shallow drilling at these centres intersected bedrock copper and gold mineralisation coincident with magnetic highs. Limited RC drilling on the periphery of three intrusive centres – Mordialloc, Bloomfield's and Copper Hill, confirmed the presence of porphyry-style alteration and mineralisation, but only limited deep drilling has been carried out (Figure 2).

The deal with Calibre provides for Clancy to issue 1,750,000 shares to Calibre at 12c. Calibre will upon completion of the deal become a 2.7% shareholder in Clancy which demonstrates a strong endorsement from Calibre of Clancy's approach.

"We are delighted with this acquisition and are looking forward to Calibre coming on to our register as a large shareholder. Calibre is familiar with Clancy's work in the Lachlan Fold Belt and we were their first choice to take on these projects as our expertise and experience in the region will ensure that the project will be explored effectively," said Mr Stewart.



The acquisition is effected by the signing of a conditional agreement with the Australian subsidiary of Calibre to acquire all of its interest in an Option Agreement with Western Plains Resources Limited (ASX: WPR “Western Plains”) over the Trundle project. The agreement contains several conditions including a requirement for consent by Western Plains to the transaction.

Calibre had already spent approximately \$1 million in the first year of the agreement on exploration. Accordingly, Clancy will have the right to earn the 70% interest in the Trundle project by completing the balance of the expenditure required of approximately \$2 million over two years and may increase its interest to 90% by completing a feasibility study.

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.

About Trundle

In January 2008, Calibre Mining Corp, through its wholly owned subsidiary Calibre Mining (Australia) Pty Ltd, entered into an Option Agreement with Western Plains to explore the Trundle property. Under that agreement Calibre had the right to earn a 70% interest in the Property by completing AUS \$3.0 million in exploration expenditures over a three year period, including a minimum expenditure of AUS \$600,000 in the first year. To date Calibre has spent \$1.016 million on the property.

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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.

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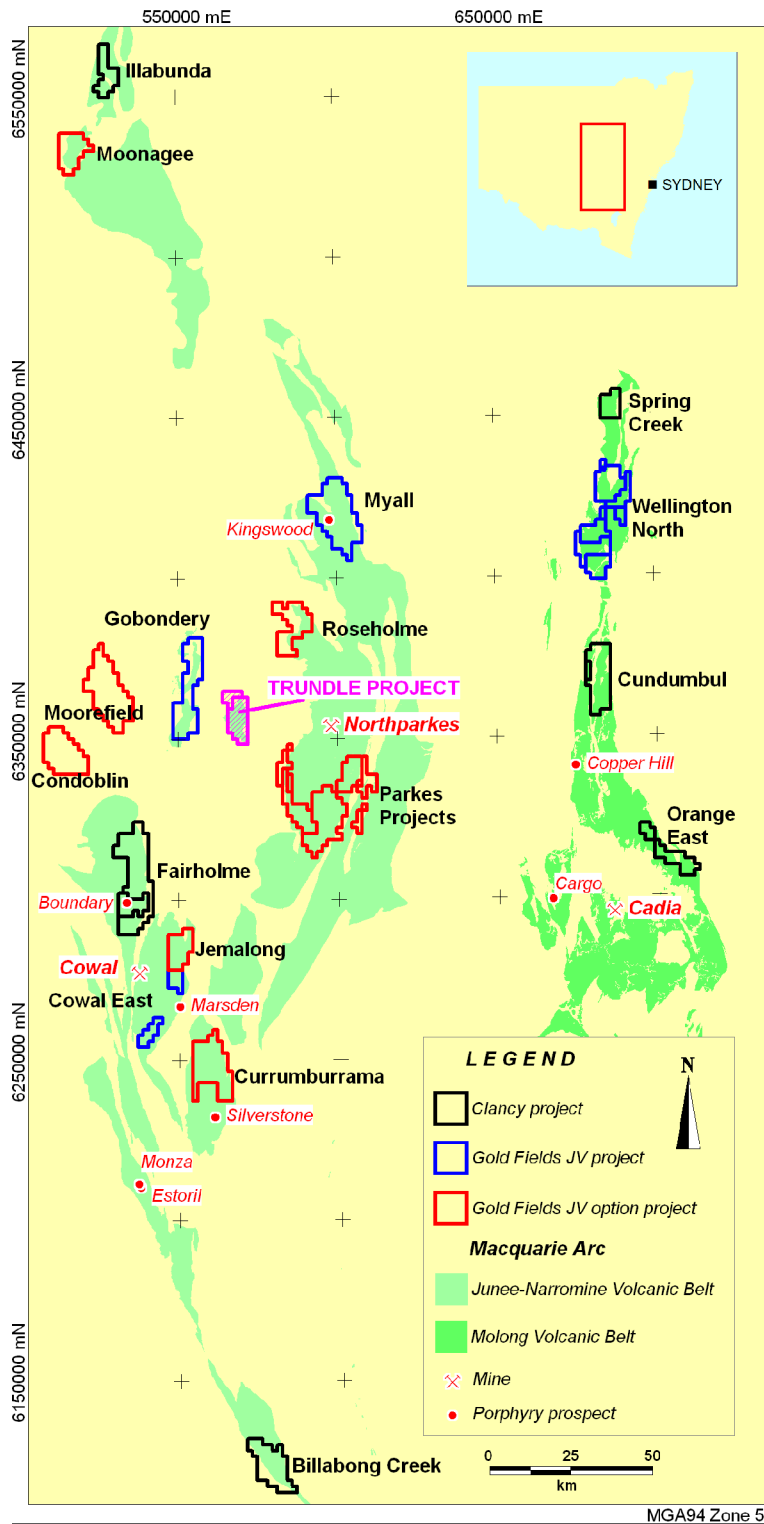


Figure 1 – Location of Clancy exploration tenements in the Macquarie Arc, showing the location of the Trundle project (magenta). Inset – the location within NSW.

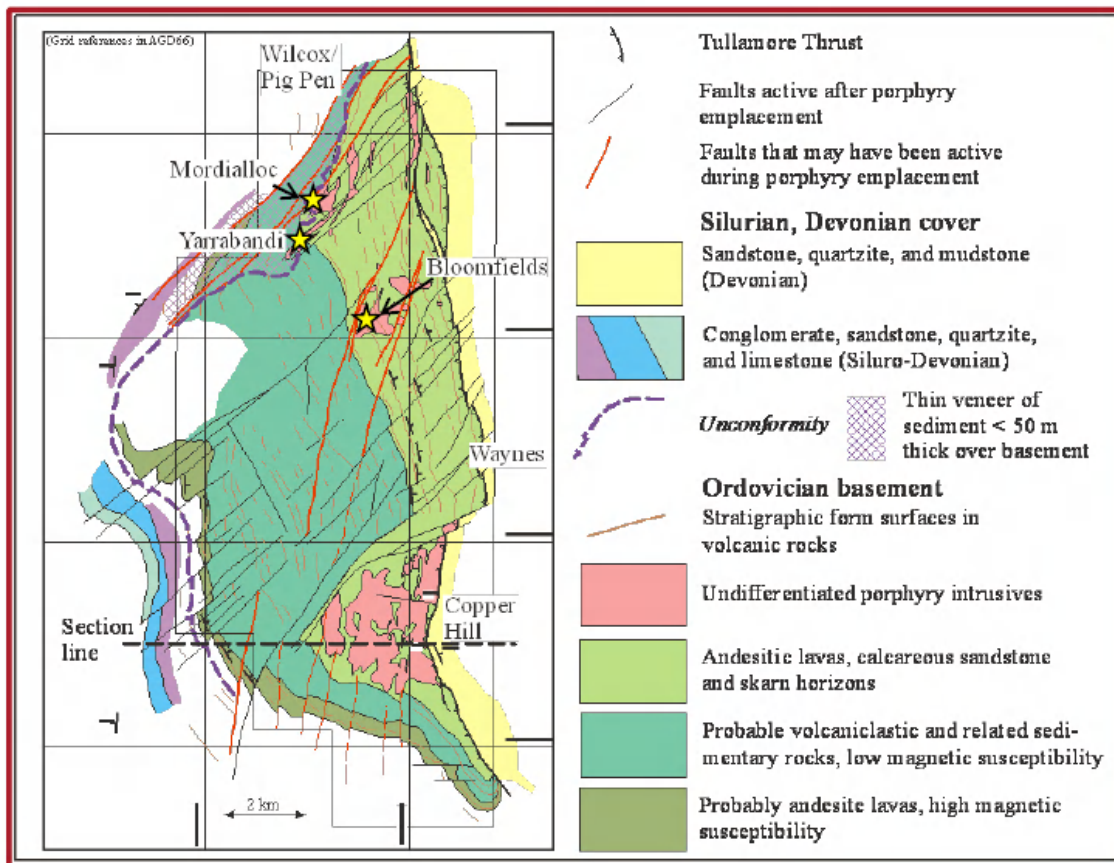


Figure 2 – Interpreted geology of the Trundle project (source: www.calibremining.com).