



This Months Features



Clancy Exploration Releases Positive Copper-Gold Results from the Myall and Orange East Projects strategically positioning the company to Realise Potentially Sustained Rewards in the Future.

Australian focused copper, gold and base metals exploration company Clancy Exploration Limited (ASX:CLY) (Clancy) is strategically positioned with a number 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.

Illustrating the value of the company's portfolio of prospective assets Clancy has released a number of positive copper and gold results which are expected to significantly enhance the company's profile and drive growth and value for the future.

Specifically Clancy has announced strong drilling results at the new copper-gold discovery at the Kingswood prospect within the Myall project in New South Wales. An intercept in the upper part of the first diamond hole, of 42 metres at 0.7 per cent copper and 0.23g/t gold, was previously highlighted and further results have now been released again validating the high quality nature of the target.

Another key development has also come following release of results from a recent round of auger soil and rock chip sampling at the 100 per cent owned Orange East project.

These latest results confirm that the Orange East tenement has great potential to host several multi-commodity deposits at depth.

Mr. Mark Stewart, Managing Director of Clancy Exploration Limited explained to the Australian Investor, "We listed in July 2007 with an IPO which raised \$5 million. Since then our main focus has been on the Lachlan Fold Belt in New South Wales in addition to a number of properties in Tasmania.

"Our focus on the Lachlan Fold Belt has been in conjunction with Gold Fields Australasia Pty Limited (Gold Fields) who are one of the world's major gold producers .

"We have joint venture agreements with them over three of our projects and they have recently invested in a fourth. In addition to this they are underwriting our rights issue," Mr. Stewart commented.

Clancy is presently undertaking a non-renounceable pro rata entitlement issue to Shareholders of approximately 12 784 709 new shares on the basis of one new share for every four existing shares held on the Record Date of the May 18, 2009. The closing date for acceptances is June 5, 2009.

Shares will be distributed at an issue price of 8 cents each. The company expects to raise approximately \$1 022 776 before issue costs.

Through undertaking the raising Clancy will be in a strong position to fund exploration of its key exploration projects in the Lachlan Fold Belt.

Further funds will also provide the Company with sufficient revenue for ongoing working

capital requirements.

In regards to the company's developments at Myall Mr. Stewart explained, "The recent result marks the first diamond drilling undertaken at the Kingswood prospect. The Myall project is over one of our A class targets, but is in an area where ground conditions can make drilling quite tricky. In this respect it is a real positive to have Gold Fields involved in the project.

"Currently they are spending \$3 million over a three year term to earn a 51 per cent interest in the project.

"Core drilling on the target delineated a very interesting anomaly over a large area; therefore we chose to drill a diamond hole into that, with the first 42 metres showing very positive results. Subsequent results have also highlighted the potentially prospective nature of the target," Mr. Stewart commented.

Updated significant intercepts include;

- 70 metres at 0.57% copper, 0.15 g/t gold from 141 metres, including;
- 52 metres at 0.67% copper, 0.20 g/t gold from 144 metres; and
- 62 metres at 0.27% copper, 0.13g/t gold from 260 metres, including;
- 10 metres at 0.64% copper, 0.61g/t gold from 268 metres.

"A key point of interest is that the intersections have come on either side of a fault. There is significant upside here because this is the first proper test of the basement in what is a larger zone of alteration and copper anomalism defined by previous aircore drilling.

"Gold Fields is now managing the project and we are anticipating further positive results as they ramp up activity at this exciting prospect," Mr. Stewart stated.

At the company's Orange East project, augur soil results have indicated strong potential for high value to be realised.

"Previously when we were managing our joint venture activities with Gold Fields we were stretched in keeping up with the level of work necessary. Now that Gold Fields has taken over the management of some of the tenements it has allowed us to step up the work on some of our other projects.

"Orange East is one of these. It is a very accessible project located just outside of Orange. There was not a lot of ground cover in the area therefore we chose to take soil and rock chip samples to get an early indication of prospectivity before drilling.

"The work on the ground has shown that the Southern part of the Orange East tenement has enriched levels of copper, gold and silver in an area with historic workings along major fault zones.

"There have been some very interesting results with a best rock chip sample of 9.35 per cent copper and augur sample of 1.50 per cent copper. These are really good numbers and what they mean is now we can follow up with geophysical work and drilling to delineate how deep and consistent the mineralisation is at depth.

"We will be looking to execute this fairly quickly and we expect that we won't have any difficulty getting onto the ground," Mr. Stewart told the Australian Investor.

According to Mr. Stewart, Clancy has a number of key strengths which are expected to drive growth and value for the company in the future.

"A strong advantage has really been our focus on our A Class targets. We have not been distracted by anything else that has come along and this really distinguishes us from a lot of other juniors.

"In addition to this our targeting work has been leading edge. We have been utilising the latest techniques to get onto what we think is the best ground. We also have a strong management and technical team and support from Gold Fields."

Clancy is well positioned financially with good cash reserves in the bank, which is due to be further complemented by its recent capital raising.

“For the remainder of 2009 we will certainly be focusing on the Orange East tenement and progressing that as fast as possible. It’s a 100 per cent owned Clancy tenement so all the upside there will be reflected in Clancy.

“We also have another three 100 per cent owned projects that we will be pursuing this year,” He concluded, “We hope to leverage off our strong asset base and partnership with Gold Fields to realise high value and rewards for the company and shareholders in the future.’

Article written by <http://australianinvestor.com.au>

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