

ASX/ Media Announcement  
9 July 2009



## GOLD FIELDS SET TO SPEND UP TO \$2 MILLION ON CLANCY JV TENEMENTS IN THE CURRENT QUARTER

**Clancy Exploration Limited** (ASX: CLY) is pleased to advise that Gold Fields Australasia Pty Ltd (Gold Fields) has forecast expenditure of close to \$2 million to be spent on the Clancy JV projects within the September quarter.

The funds will largely be spent on three joint ventures, namely Cowal East, Myall and Wellington North. In all up to 20,000 metres of drilling is planned, weather permitting. Aircore drilling started at Myall in May and at Cowal East in June. A significant aeromagnetic survey is also planned for the Wellington North project.

Clancy Exploration Managing Director, Mr Mark Stewart, said the Company was very pleased with the level of expenditure planned by Gold Fields which will assist Clancy to rapidly ramp up exploration on its most prospective targets.

"This is a significant level of exploration expenditure being committed by Gold Fields to our joint ventures and gives a strong indication of how they are viewing these projects both strategically and corporately," Mr Stewart said.

"It is also a vote of confidence in the work completed by Clancy and the prospectivity of the project portfolio that we have assembled in the Lachlan Fold Belt of New South Wales."

"The forecast expenditure by Gold Fields signals the beginning of an even more active period for the Company as it looks to commence an aggressive drilling program aimed at delivering strong results to shareholders."

Combined with the recent arrival of Gold Fields on the Company's share register with approximately 5.4% of Clancy's total issued capital, the increased level of exploration funding indicates a strengthening of the strategic partnership.

Gold Fields is managing a total of four advanced joint venture exploration projects with Clancy and some of the funds will also be directed at evaluating a number of additional joint venture opportunities with the Company.

With Gold Fields now managing the joint venture projects, Clancy is able to maximise its financial resources and focus more closely on its 100% owned projects while still maintaining a high level of exploration activity across its entire portfolio of highly prospective projects (see Figure 1 below).

A total of 18 aircore holes for 2,182m have been drilled at Myall since drilling re-commenced in May and 10 aircore holes for 1,234m at Cowal East. Drilling continues as weather permits.

-ENDS-

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## 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](http://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 (~2900km<sup>2</sup>), and the innovative use of digital geological and geophysical data in probability based targeting.

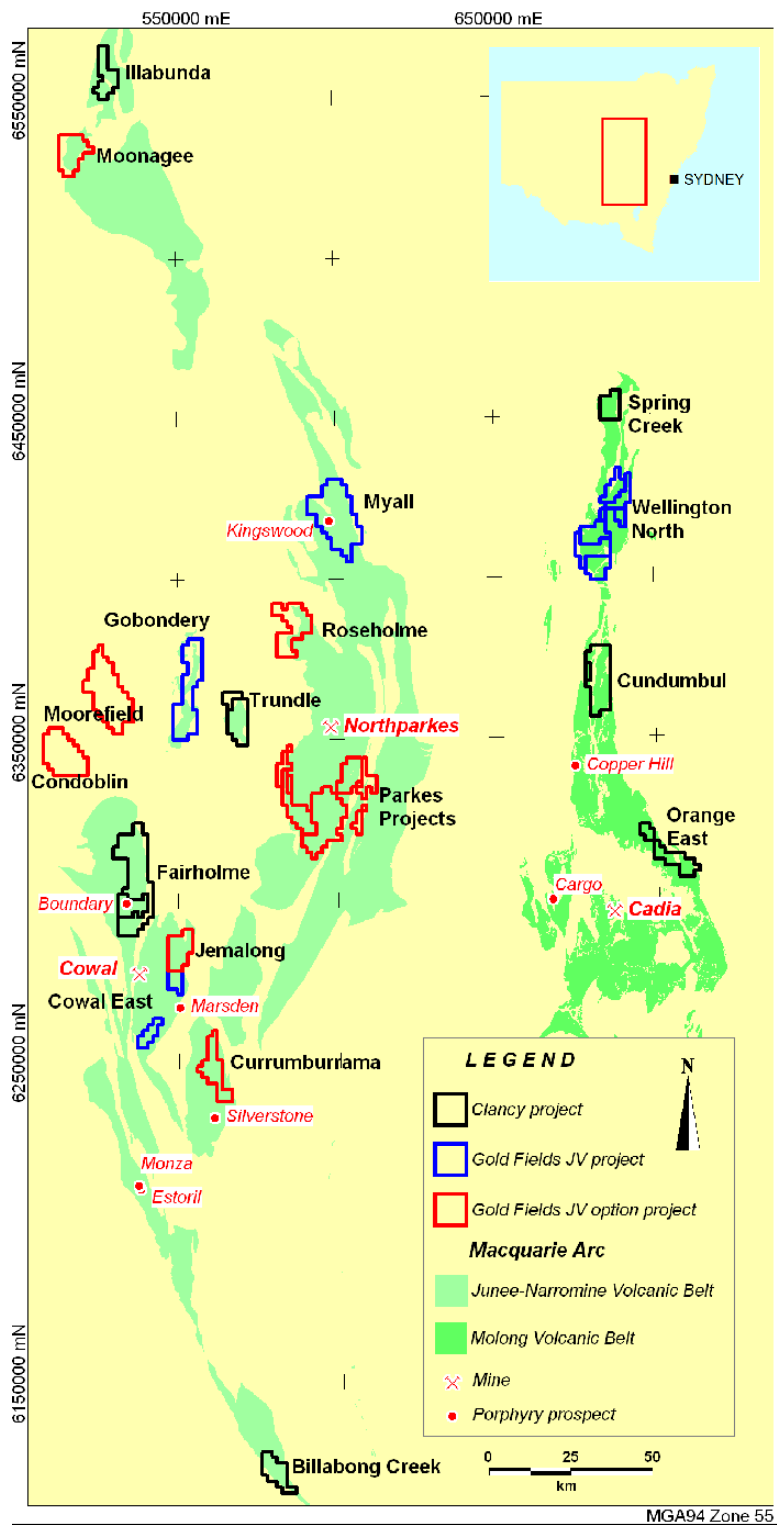


Figure 1 – Location of Clancy and exploration tenements in the Macquarie Arc., NSW.  
Inset – the location within NSW.