

# SIGNIFICANT IP ANOMALIES DETECTED AT ORANGE EAST Diamond drilling to commence in June

**Clancy Exploration Limited** (ASX: CLY) is pleased to report that several significant induced polarisation (IP) chargeability anomalies have been identified at its Orange East project (EL6181) in New South Wales. Diamond drilling to test these anomalies is planned to commence in mid-June.

Clancy recently completed an offset pole-dipole 3D IP survey using 50m dipoles over the Carangera South, Carangera and Pendarves anomalies adjacent to the Godolphin Fault. The survey covered an area of 2.6 km by 800m and was conducted in order to detect electrically chargeable bodies that may represent unexposed mineralisation. Several significant chargeable bodies were defined at all three prospects (Figure 1).

Drilling by Clancy in late 2009 was targeted into the exposed potassic alteration zones encompassing the old copper workings at Carangera. The drilling intersected copper-gold mineralisation, but ground conditions and old mining voids made it difficult to drill the area where high-grade mineralisation was mined in the late 1800's. The chargeable anomalies lie near the old workings and potentially represent large mineralised bodies that are not exposed at surface and were therefore essentially invisible to historic miners.

Five diamond drill holes totalling approximately 1000m of drilling are planned to test the IP anomalies. One hole, with a planned depth of 300m, is targeted to intersect a 330m long by 150 m wide >23mV/V chargeable anomaly at Carangera South. Figures 2 and 3 show the planned drill hole trace through this target. The other four holes will test IP anomalies at Carangera and Pendarves and also attempt to intersect the historic high-grade copper zone not intersected in the 2009 drilling program.

Clancy's Managing Director Mark Stewart said that the definition of the chargeability anomalies at Orange East was a significant advance for the project.

"Rock and soil anomalism, widespread alteration and the structural setting all suggest the presence of a significant fertile copper-gold system at Orange East. The IP chargeability anomalies provide us with another key piece of evidence and significant drill targets for immediate follow-up. Drilling is planned to begin mid next month," said Mr Stewart.



Figure 1-Inverted 3D model of the IP data collected at Orange East, view looking east. The green bodies are the<br/>>23mV/V zones of chargeability and the orange shell is the corresponding >2300 ohm/m resistivity response.<br/>The Godolphin Fault lies along the western edge of the resistivity shell. Note the location of the drill strings<br/>(black) in the vicinity of the old copper workings. The strings are coloured by gold assay values; orange is<br/>>0.05 and pink is >0.1 g/t Au. Coordinates are in GDA94 Zone 55.



Figure 2-

2- View looking south at the 100m deep chargeability contours projected to surface and draped over topography that is three-times vertically exaggerated. The main chargeability anomaly shown in the Figure 3 section is in the top left of the image. The proposed drill collar and surface trace are shown in black. Ease of access is shown via the main road in the centre of the image. The thin red lines are >20mV/V contours.

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**Figure 3-** Looking north at trace of proposed diamond drill hole into the Carangera South main chargeability(top) and resistivity (bottom) anomaly along section line 6306440N (GDA94 Z55). Red in the chargeability section is a greater than 30mV/V response. Note that the anomaly lies 50m below the surface and its proximity to the Godolphin Fault. \* = location of road highlighting the ease of access to the site.

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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 Orange East**

Located northeast of the township of Orange, NSW, EL 6181 spans several target styles including Ordovician porphyry and Silurian copper-gold targets. Numerous old workings cross the area and many are focused along regional-scale structures, such as the Lucknow and Godolphin faults, part of the Mullions Range Imbricate Zone. The area has been mined since the early 1850's, first producing copper, then gold and silver.

The lease area lies 8 km south of the Lewis Ponds Project with an indicated and inferred resource of

Clancy Exploration Limited Level 3 1060 Hay Street, West Perth WA 6005 Telephone: (08) 9481 8241 Facsimile: (08) 9321 0320 www.clancyexploration.com info@clancyexploration.com 6.6 million tonnes at 1.5 g/t Au, 69 g/t Ag, 2.4% Zn, 0.2% Cu and 1.4% Pb at >3.0% ZnEq. This resource consists of two mineralised bodies, the Main Zone and Tom's Zone in Silurian volcaniclastic rocks of the Anson Formation. The McPhillamys Project lies 18 km south southeast of the lease on the Godolphin Fault and has intersections such as 123 metres grading 1.96g/t gold from the surface and was identified by >100ppb gold in soil anomalism along with other coincident trace elements.

## 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 (~2700km<sup>2</sup>), and the innovative use of digital geological and geophysical data in probability based targeting.