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ASX / MEDIA ANNOUNCEMENT
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KAIZEN WITHDRAWS FROM THE FAIRHOLME COPPER-GOLD PROJECT IN NSW

Clancy Exploration Limited (**ASX: CLY**) advises that it has received notice from Kaizen Discovery Incorporated (**Kaizen**) advising of its intention to withdraw from the Fairholme joint venture project.

The Fairholme project consists of two tenements, EL6552 and EL6915, located 12km north of the Cowal gold mine in central NSW in the Fairholme Igneous Complex. The geophysical characteristics of the Fairholme Igneous Complex are similar to the Cowal Complex to the south, which hosts the Cowal gold mine (Barrick) and the Marsden copper-gold prospect (Newcrest).

Kaizen had earned a 49% interest in the project and was extending this to a 65% interest by funding ongoing exploration. The withdrawal will become effective from 22 April 2016, after which the ownership of the Fairholme Project will revert 100% to Clancy. Clancy will seek a new partner for Fairholme.

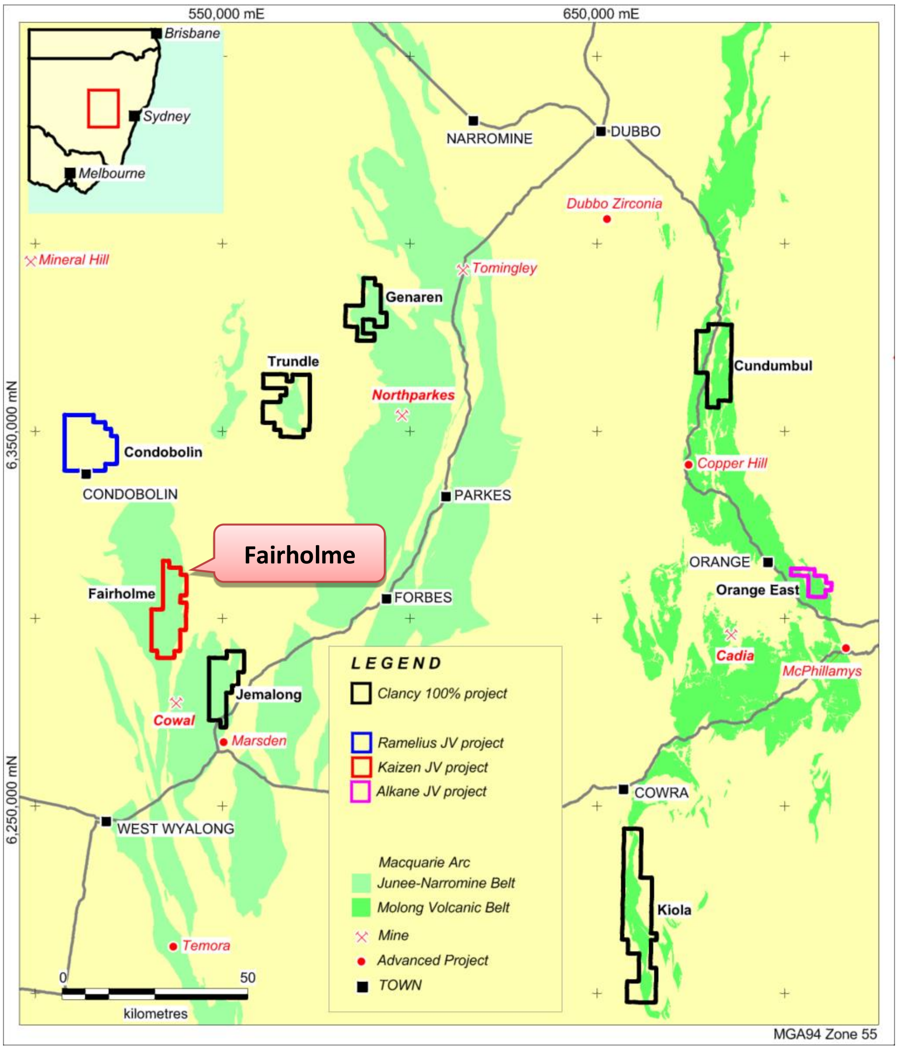

Figure 1 *– Map showing the location of Clancy's exploration projects in NSW with Fairholme highlighted.*

—ENDS—

The information in this announcement that relates to Initial Exploration Results 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 2012 edition of the "Australasian Code for Reporting 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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About Clancy Exploration

Clancy Exploration (ASX: CLY) is an Australian-focused copper, gold and base metals explorer. The Company's portfolio consists of copper-gold projects in the Lachlan Fold Belt of NSW where Clancy has 5 wholly owned and managed projects (following Kaizen's withdraw from Fairholme) and 1 joint venture project each with Alkane Resources Ltd (ASX: ALK) and Ramelius Resources Ltd (ASX: RMS). This mix of Clancy and joint venture project funding allows a high level of exploration activity to be maintained, whilst prudently managing Clancy's financial resources. Details of Clancy's projects can be found at the Company's website: www.clancyexploration.com.