

ASX / MEDIA ANNOUNCEMENT
11 October 2016**CLANCY RAISES \$350,000 IN PLACEMENT**

Clancy Exploration Limited (ASX: CLY) advises that it has agreed the terms of a placement to domestic and international sophisticated investors raising \$350,000 before costs ("**Placement**").

The Placement comprises the issue of 350,000,000 shares at an issue price of 0.1 cents (\$0.001) per share pursuant to ASX Listing Rules 7.1 ("**New Shares**"). Of the New Shares approximately 250,000,000 are to be issued immediately. The issue of the balance of the New Shares, being 100,000,000, is subject to and conditional on the receipt of all necessary shareholder approvals as they will be issued to entities associated with related parties of the Company.

1 free attaching option will be issued for every 1 Placement Share issued (**Attaching Options**). The Attaching Options will be in the same class as the Company's existing quoted options exercisable at \$0.004 each on or before 9 May 2019¹. The issue of the Attaching Options is subject to and conditional on the receipt of all necessary shareholder approvals.

The Company undertakes to seek the necessary shareholder approvals at its Annual General Meeting, to be held by no later than 30 November 2016.

The funds will be used for the identification of a new project for the company, working capital and for the costs of the issue.

Please direct enquiries to:

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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 and a joint venture project with Alkane Resources Ltd (ASX: ALK). 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.

¹ Refer to Schedule 2 of the Company's Notice of Meeting dated 14 April 2016 (announced on ASX on 15 April 2016) for the full terms and conditions of the Attaching Options.