

## QUARTERLY ACTIVITIES and CASHFLOW REPORT

### For the period ending 30 September 2017

The Board of Clancy Exploration Limited (“Clancy” or the “Company”) provides its Quarterly Activities report for the period ending 30 September 2017.

### Summary

- Following a thorough review of the Company’s tenure at the Leogang Cobalt Nickel Project in Austria, it was determined that Clancy has priority rights, under Austrian law, over 172 of our 200 granted licences and next-in-line rights over the balance. The next-in-line rights relate to the licences which cover the historical mines.
- The Company, together with its partner Cadence Minerals Plc, will now move forward with the Leogang project and in addition seek to explore other investment or farm-in opportunities in the global resources sector.
- The suspension of trading in Clancy’s securities was lifted on 5 September 2017.
- Clancy had cash on hand at the end of the September quarter of \$1.27m.

### Austrian Project

#### Leogang Cobalt Nickel Project

The Board has focused its energies on securing a new project opportunity for Clancy. Several interesting opportunities were assessed.

In June 2017, the Company was granted exploration licences over the Leogang Cobalt-Nickel Project (**Project**) covering approximately 80km<sup>2</sup> in the Salzburg and Kitzbuhel regions in western Austria.



**Figure 1: Regional Location Plan of Leogang Project**

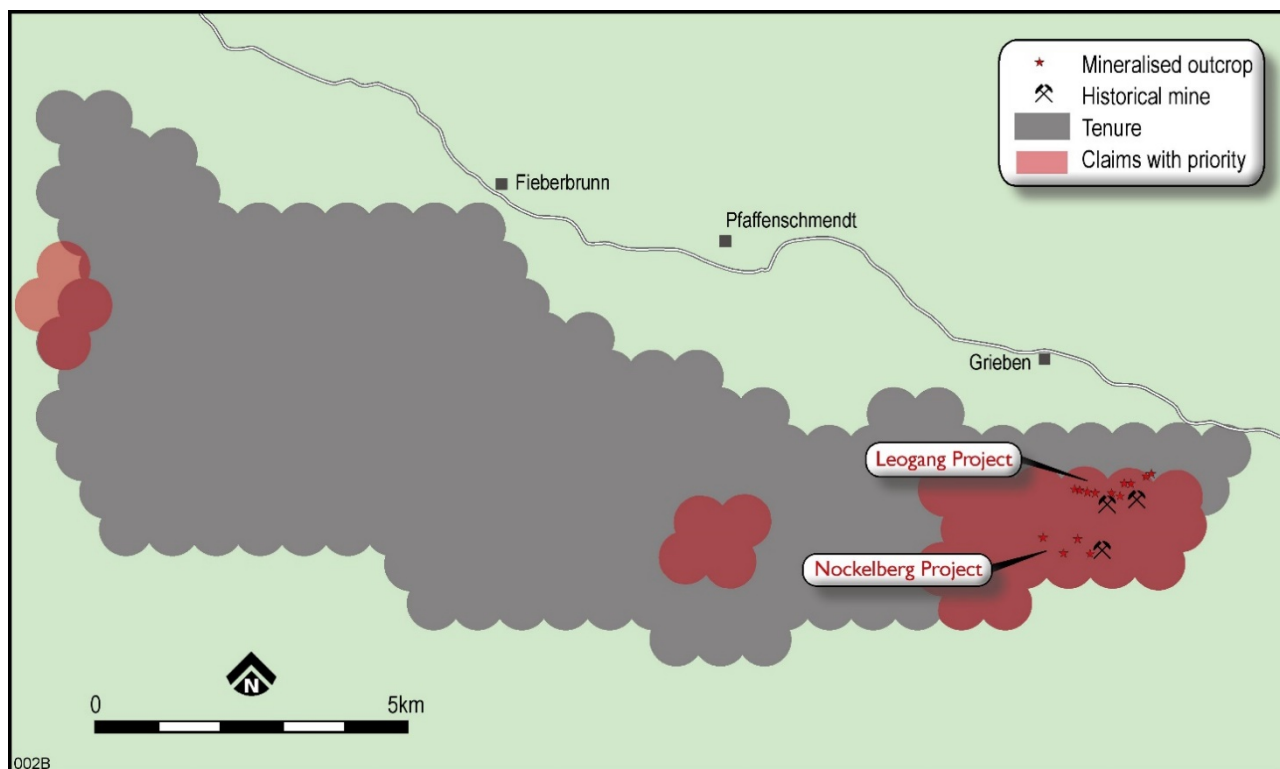
Clancy signed a binding Term Sheet, subject to a short 14-day due diligence period, with London listed Cadence Minerals Plc (“Cadence”) (AIM: KDNC), to acquire an initial 10% interest in the Project for the consideration of approximately 74 million Cadence shares with a six-month option to increase its interest in the Project for an additional A\$1 million in either cash or Cadence shares at Cadence’s election. Cadence specialises in investing in the key metals associated with the energy storage sector and is also European Metals Holdings (ASX: EMH) largest shareholder.

The Leogang acquisition delivered a significant land position (80km<sup>2</sup>) in the prospective dolomite belt in western Austria.

- Nickel and cobalt were mined in the region from the mid-16<sup>th</sup> century when Leogang was famed for the richness of its cobalt and nickel mineralisation.
- Mining peaked in the late 1700’s but the market fell away after the Napoleonic Wars.
- Licences were originally targeted to cover each historical mine and further extensions of the host dolomitic mineralisation.

Clancy was granted 200 exploration licences covering approximately 80km<sup>2</sup> at Leogang by the Austrian Federal Ministry of Science, Research and Economy. On the evening of Monday 10 July 2017, the Company was made aware that a number of licences potentially had preceding priority claimants that predated Clancy’s applications by a number of weeks. The Company deemed it appropriate at the time to halt the trading of its shares on the ASX and then seek a suspension of trading of the Company’s shares pending a full and thorough investigation into the situation.

Clancy’s investigation determined that there were 28 overlapping licences out of Clancy’s 200 licences that had predated licences by other parties and these licences are principally located in the south-eastern portion of the Leogang Project area (Refer Figure 2 and Licence Tables). These priority licences cover a total area of approximately 12km<sup>2</sup> which represents about 15% of Clancy’s entire Austrian project area. Clancy continues to have priority over the balance of the project area, being 172 licences covering approximately 68 km<sup>2</sup>, all of which have not undergone any forms of modern day exploration since the beginning of the 20<sup>th</sup> century.



**Figure 2: Map showing the extent of the priority licences**

In the event that any of the respective 28 Austrian licences, subject to the priority claims, are either dropped or forfeited, priority over these individual respective claims will revert immediately to Clancy.

Clancy is of the view that it made all reasonable enquiries in respect of the availability of the ground at the Leogang Project prior to applying for the Austrian exploration package. Clancy was of the understanding that it held complete priority in respect of all the exploration licences upon grant of the exploration licences by the Austrian Federal Ministry of Science, Research and Economy and at all times subsequent, until it received notice of the priority claim on the evening of 10 July 2017.

Clancy has since become aware that Austrian mining regulators may grant exploration licences to more than one party over ground without advising a later party that its licences do not have priority. Exploration licences grant the holder the exclusive licence, subject to priority, to explore and are valid for five calendar years (including the year of application) and can be extended for a further five years if the exploration program has been carried out according to a program approved by the mining authorities. However, the right to conduct mining operations are not included in an exploration licence. For these activities a mining licence ("Bergwerksberechtigung") has to be obtained which is a separate legal process.

## The Way Forward

Clancy continues to hold priority interests in 172 licences covering approximately 68 km<sup>2</sup> at Leogang. This includes the areas around, but not immediately surrounding, the historical mines and extensions through the dolomite which was the target mineralisation for the original applications. As a result, the Board will continue to explore the potential of the Leogang Project as planned with the view of identifying a new cobalt mining precinct in the heart of Europe and on the doorstep of the battery and renewable technology sectors.

Cadence Minerals Plc (refer to ASX release dated 3 July 2017) acquired a 10% interest in the licences held by Clancy and entered into a joint venture. Cadence have confirmed they plan to proceed with the joint venture on the Leogang Project and will continue to work with Clancy in evaluating the remaining 85% of the project tenements. In addition, both Clancy and Cadence will work together to identify and acquire additional strategic mineral properties focused on the battery technology sector throughout Europe and in other international jurisdictions.

## NSW Projects

### **Orange East EL8442**

(NSW, Clancy 100%; Alkane Resources Ltd, earning 60% and funding 100%)

Orange East is located 15km ESE of the city of Orange and contains several target styles including Ordovician porphyry copper-gold and post-Ordovician copper-gold targets. Numerous old workings occur in the area and many are focused along the regional scale Godolphin Fault. Previous work by Clancy defined a soil anomaly at the Gunnarbee prospect, which has similar geochemical, structural and geological characteristics as the nearby McPhillamys gold deposit, 15km along strike to the south (Figure 1).

Alkane Resources Ltd (Alkane; ASX: ALK) can earn a 60% interest in the Orange East project by spending \$500,000 on exploration over three years. Alkane can earn a further 20% interest (80% total) by spending an additional \$500,000 on exploration over the subsequent three years. Alkane is managing the exploration program. The project was inactive during the quarter.

### **Trundle EL8222**

(NSW, Clancy 100%)

The Trundle project consists of a single exploration licence EL8222 located 25km west of the Northparkes copper-gold mine. There is extensive evidence of porphyry and skarn-style copper-gold mineralisation similar to the Cadia Valley and Northparkes. Clancy is seeking to either divest or find a partner for the Trundle project.

### **Condobolin EL7748**

(NSW, Clancy 100%)

Condobolin EL7748 is in the central west of NSW immediately north of the Condobolin township. Condobolin has a substantial mining history, predominantly as a base metals field (lead, zinc and copper), as well as gold. The mineralisation is hosted in epithermal-style quartz veins within the metasedimentary units of the

Ordovician Girilambone Group, associated with pyrite, sphalerite, galena, chalcopyrite, arsenopyrite and free gold. Clancy is seeking to either divest or find a partner for the Condobolin project.

## **Fairholme EL6552 & EL6915**

(NSW, Clancy 100%)

The Fairholme project is located in the Fairholme Igneous Complex 12km north of the Cowal gold mine. The geophysical characteristics of the Fairholme Igneous Complex are similar to the Cowal Complex to the south, which hosts the Cowal gold mine and the Marsden porphyry copper-gold deposit (Evolution). Clancy is seeking to either divest or find a partner for the Fairholme project.

## **NSW Royalty Projects**

(NSW, Clancy NSR)

Following the sale of joint venture interests to Gold Fields in February 2013, Clancy held 2.5% Net Smelter Return (NSR) royalties on Cowal East (Wyrra), Myall, Parkes East, Moorefield and Wellington North, subject to the tenement holder having the right at any time to purchase the NSR's for A\$20 million each (Buyout Right).

During 2016, Clancy agreed with the current tenement holder of Myall, Parkes East, Moorefield and Wellington North (Modeling Resources Pty Limited, a wholly owned subsidiary of ASX-listed Magmatic Resources (ASX: MAG)) to reduce the NSR from 2.5% to 2% in return for removing the Buyout Right, but only in respect of any of the relevant tenements which Modeling Resources is in turn able to joint venture to a specified incoming party.

The Company has been notified that JOGMEC has joint ventured into the Parkes East project. Therefore, the NSR on Parkes East has been reduced to 2% and the buyout right has been removed.

The Company has not been notified that the specified incoming party has joint ventured into the Myall, Moorefield or Wellington North projects.

The NSR over the Wyrra project remains in place and is unaffected by the above changes.

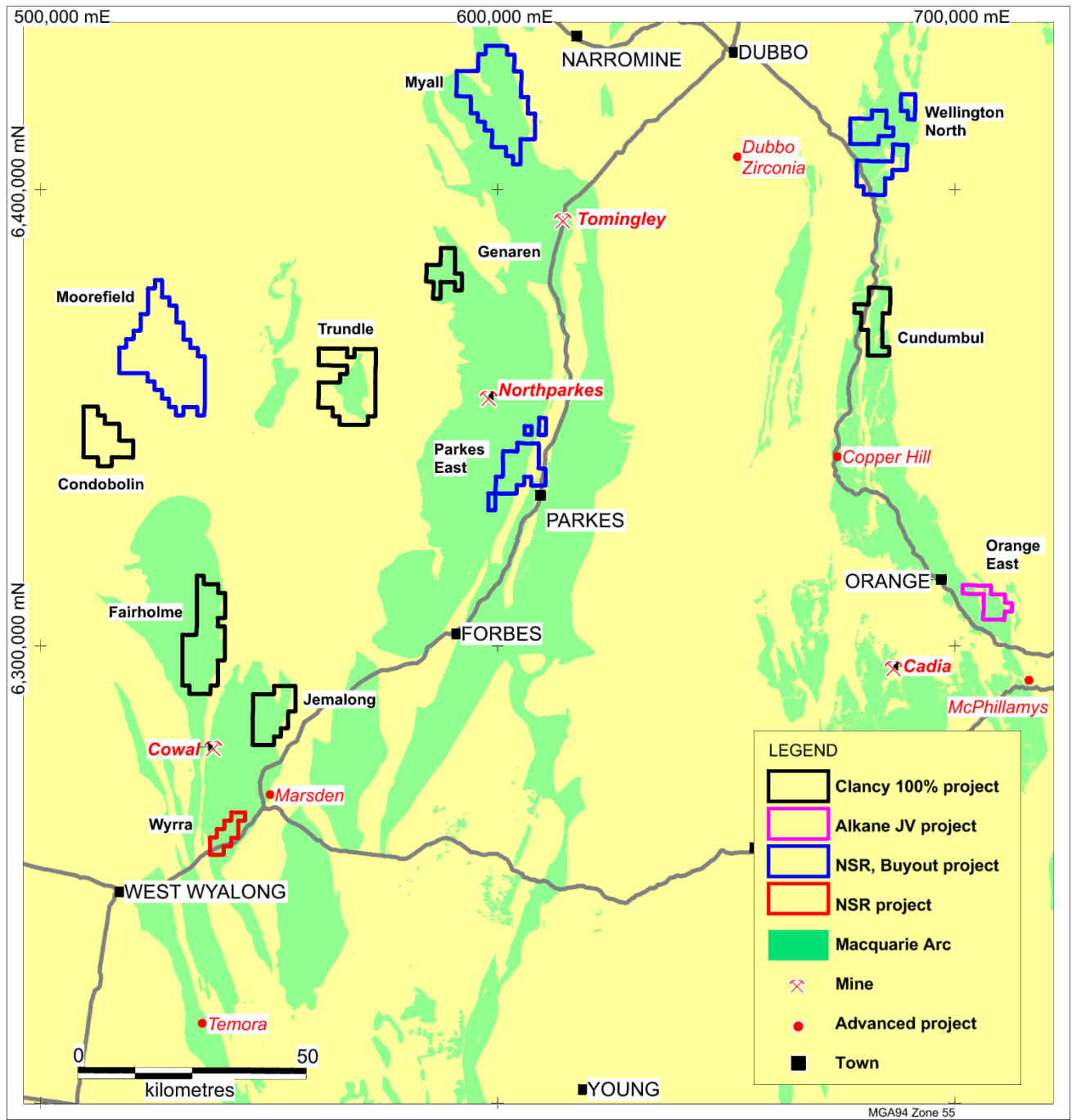


Figure 1 – Map showing location of Clancy projects in central NSW.

## Cash Position

As at 30 September 2017, the Company had cash on hand of \$1,269,000. For further details, refer to the Appendix 5B.

### Please direct enquiries to:

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### About Clancy Exploration

Clancy Exploration (ASX: CLY) is an Australian-based minerals explorer. Clancy recently acquired the Leogang Cobalt-Nickel-Copper Project in Austria. The Leogang Project was targeted based on the high grade historical cobalt and nickel mines in the area and has had very little modern exploration. The Company's Australian portfolio consists of copper-gold projects in the Lachlan Fold Belt of NSW where it has six wholly owned and managed projects and one joint venture project with Alkane Resources Ltd (ASX: ALK). The Company also retains NSR royalty interests over six licences in NSW. Details of Clancy's projects can be found at the Company's website: [www.clancyexploration.com](http://www.clancyexploration.com)

Austrian Tenement Schedule – Leogang - Clancy First Priority						
Designation	Reference Meridian	Coordinates in Metres		Cadastral Municipalities		
		Y	X	Centre in the Cadastral Municipality	Other Cadastral Municipality Concerned	
51/17/S (CLY-LEOG-003)	M 31	-48.300,37	5.255.801,08	Schwarzleo		
56/17/S (CLY-LEOG-008)	M 31	-47.598,54	5.255.801,08	Schwarzleo	Sonnberg, Pirzbichl	
57/17/S (CLY-LEOG-009)	M 31	-48.999,02	5.255.797,89	Schwarzleo	Grießen	
58/17/S (CLY-LEOG-010)	M 31	-49.698,06	5.255.794,71	Schwarzleo	Grießen	
64/17/S (CLY-LEOG-016)	M 31	-50.400,13	5.255.799,19	Schwarzleo	Grießen	
68/17/S (CLY-LEOG-020)	M 31	-51.093,42	5.255.793,06	Grießen		
71/17/S (CLY-LEOG-023)	M 31	-51.798,97	5.255.793,05	Grießen		
74/17/S (CLY-LEOG-026)	M 31	-52.498,40	5.255.799,19	Grießen	Hoch filzen	
78/17/S (CLY-LEOG-030)	M 31	-52.492,26	5.254.596,68	Schwarzleo		
79/17/S (CLY-LEOG-031)	M 31	-52.492,26	5.253.394,16	Schwarzleo	Saalbach	
80/17/S (CLY-LEOG-032)	M 31	-52.841,97	5.254.001,55	Schwarzleo	Saalbach	
81/17/S (CLY-LEOG-033)	M 31	-52.848,10	5.255.197,93	Schwarzleo	Grießen, Hoch filzen, Fieberbrunn	
82/17/S (CLY-LEOG-034)	M 31	-53.203,95	5.253.400,29	Schwarzleo	Saalbach	
83/17/S (CLY-LEOG-035)	M 31	-53.191,68	5.254.596,68	Schwarzleo	Fieberbrunn	
84/17/S (CLY-LEOG-036)	M 31	-53.547,53	5.254.001,56	Schwarzleo	Fieberbrunn, Saalbach	
85/17/S (CLY-LEOG-037)	M 31	-53.541,39	5.255.191,80	Fieberbrunn		
86/17/S (CLY-LEOG-038)	M 31	-53.205,07	5.255.798,61	Fieberbrunn	Hoch filzen	
87/17/S (CLY-LEOG-039)	M 31	-53.900,65	5.254.602,23	Fieberbrunn		
88/17/S (CLY-LEOG-040)	M 31	-54.253,07	5.255.195,78	Fieberbrunn		
89/17/S (CLY-LEOG-041)	M 31	-53.890,53	5.255.792,75	Fieberbrunn		
90/17/S (CLY-LEOG-042)	M 31	-53.897,23	5.253.400,97	Fieberbrunn	Saalbach	
91/17/S (CLY-LEOG-043)	M 31	-54.252,31	5.253.997,24	Fieberbrunn		
92/17/S (CLY-LEOG-044)	M 31	-54.593,99	5.254.600,21	Fieberbrunn		
93/17/S (CLY-LEOG-045)	M 31	-54.593,99	5.255.799,44	Fieberbrunn		
94/17/S (CLY-LEOG-046)	M 31	-54.942,37	5.253.990,54	Fieberbrunn		
95/17/S (CLY-LEOG-047)	M 31	-54.600,69	5.253.400,97	Fieberbrunn	Saalbach	
96/17/S (CLY-LEOG-048)	M 31	-54.949,08	5.255.203,18	Fieberbrunn		

98/17/S (CLY-LEOG-050)	M 31	-55.290,76	5.255.799,44	Fieberbrunn	
99/17/S (CLY-LEOG-051)	M 31	-55.297,46	5.253.400,97	Fieberbrunn	Saalbach
101/17/S (CLY-LEOG-053)	M 31	-55.652,54	5.255.196,48	Fieberbrunn	
103/17/S (CLY-LEOG-055)	M 31	-56.000,92	5.253.400,97	Fieberbrunn	
104/17/S (CLY-LEOG-056)	M 31	-56.000,92	5.255.799,45	Fieberbrunn	
105/17/S (CLY-LEOG-057)	M 31	-56.349,30	5.255.203,18	Fieberbrunn	
106/17/S (CLY-LEOG-058)	M 31	-55.659,24	5.256.402,41	Fieberbrunn	
107/17/S (CLY-LEOG-059)	M 31	-54.949,07	5.256.395,71	Fieberbrunn	
108/17/S (CLY-LEOG-060)	M 31	-56.342,60	5.256.395,71	Fieberbrunn	
109/17/S (CLY-LEOG-061)	M 31	-56.690,98	5.255.792,75	Fieberbrunn	
110/17/S (CLY-LEOG-062)	M 31	-56.697,68	5.254.600,21	Fieberbrunn	
111/17/S (CLY-LEOG-063)	M 31	-57.052,77	5.256.395,72	Fieberbrunn	
112/17/S (CLY-LEOG-064)	M 31	-57.052,76	5.255.209,88	Fieberbrunn	
114/17/S (CLY-LEOG-066)	M 31	-57.401,15	5.255.799,44	Fieberbrunn	
115/17/S (CLY-LEOG-067)	M 31	-57.401,15	5.254.606,91	Fieberbrunn	
116/17/S (CLY-LEOG-068)	M 31	-56.697,68	5.256.998,68	Fieberbrunn	
117/17/S (CLY-LEOG-069)	M 31	-57.749,53	5.256.395,71	Fieberbrunn	
118/17/S (CLY-LEOG-070)	M 31	-57.749,53	5.255.203,18	Fieberbrunn	
119/17/S (CLY-LEOG-071)	M 31	-57.052,76	5.253.997,24	Fieberbrunn	
120/17/S (CLY-LEOG-072)	M 31	-57.401,14	5.256.998,68	Fieberbrunn	
121/17/S (CLY-LEOG-073)	M 31	-58.097,91	5.256.998,68	Fieberbrunn	
122/17/S (CLY-LEOG-074)	M 31	-58.459,69	5.256.395,71	Fieberbrunn	
123/17/S (CLY-LEOG-075)	M 31	-58.091,21	5.255.799,44	Fieberbrunn	
124/17/S (CLY-LEOG-076)	M 31	-58.452,99	5.255.196,47	Fieberbrunn	
125/17/S (CLY-LEOG-077)	M 31	-58.801,37	5.255.799,45	Fieberbrunn	
126/17/S (CLY-LEOG-078)	M 31	-58.097,91	5.254.600,20	Fieberbrunn	
127/17/S (CLY-LEOG-079)	M 31	-59.143,06	5.255.203,17	Fieberbrunn	
128/17/S (CLY-LEOG-080)	M 31	-56.697,68	5.253.400,97	Fieberbrunn	
129/17/S (CLY-LEOG-081)	M 31	-57.394,45	5.253.400,97	Fieberbrunn	
130/17/S (CLY-LEOG-082)	M 31	-57.749,52	5.253.997,24	Fieberbrunn	
131/17/S (CLY-LEOG-083)	M 31	-58.091,21	5.253.400,97	Fieberbrunn	
132/17/S (CLY-LEOG-084)	M 31	-58.446,29	5.253.997,24	Fieberbrunn	

133/17/S (CLY-LEOG-085)	M 31	-58.801,37	5.254.593,51	Fieberbrunn	
134/17/S (CLY-LEOG-086)	M 31	-59.149,75	5.253.997,24	Fieberbrunn	
135/17/S (CLY-LEOG-087)	M 31	-59.498,13	5.254.600,21	Fieberbrunn	
136/17/S (CLY-LEOG-088)	M 31	-58.801,37	5.253.400,97	Fieberbrunn	
137/17/S (CLY-LEOG-089)	M 31	-59.498,13	5.253.400,97	Fieberbrunn	Aurach
138/17/S (CLY-LEOG-090)	M 31	-59.853,22	5.253.997,24	Fieberbrunn	Aurach
139/17/S (CLY-LEOG-091)	M 31	-59.853,22	5.255.203,17	Fieberbrunn	
140/17/S (CLY-LEOG-092)	M 31	-59.498,14	5.255.799,44	Fieberbrunn	
141/17/S (CLY-LEOG-093)	M 31	-55.653,82	5.252.803,35	Fieberbrunn	Saalbach
142/17/S (CLY-LEOG-094)	M 31	-56.338,36	5.252.803,34	Fieberbrunn	
143/17/S (CLY-LEOG-095)	M 31	-52.843,60	5.256.382,17	Hochfilzen	Grießen
144/17/S (CLY-LEOG-096)	M 31	-52.145,01	5.256.394,15	Hochfilzen	Grießen
145/17/S (CLY-LEOG-097)	M 31	-54.947,60	5.252.798,07	Fieberbrunn	Saalbach
146/17/S (CLY-LEOG-098)	M 31	-56.000,44	5.257.001,49	Fieberbrunn	
147/17/S (CLY-LEOG-099)	M 31	-58.450,18	5.257.599,58	Fieberbrunn	
148/17/S (CLY-LEOG-100)	M 31	-57.749,83	5.257.599,58	Fieberbrunn	

**Austrian Tenement Schedule – Kitzbuhel - Clancy First Priority**

Designation	Reference Meridian	Coordinates in Metres		Cadastral Municipalities	
		Y	X	Centre in the Cadastral Municipality	Other Cadastral Municipality Concerned
38/17/T (CLY- KITZ-001)	M 31	-58.798,58	5.257.006,95	Fieberbrunn	
39/17/T (CLY- KITZ -002)	M 31	-59.153,61	5.256.407,82	Fieberbrunn	
40/17/T (CLY- KITZ -003)	M 31	-59.153,61	5.257.598,68	Fieberbrunn	
41/17/T (CLY- KITZ -004)	M 31	-59.501,26	5.256.999,55	Fieberbrunn	
42/17/T (CLY- KITZ-005)	M 31	-59.501,26	5.258.197,80	Fieberbrunn	
43/17/T (CLY- KITZ-006)	M 31	-59.856,29	5.257.598,68	Fieberbrunn	
44/17/T (CLY- KITZ -007)	M 31	-59.856,29	5.258.811,73	Fieberbrunn	
45/17/T (CLY- KITZ -008)	M 31	-59.161,01	5.258.804,33	Fieberbrunn	
46/17/T (CLY- KITZ -009)	M 31	-60.203,94	5.258.197,80	Fieberbrunn	
47/17/T (CLY- KITZ-010)	M 31	-60.211,33	5.256.999,55	Fieberbrunn	
48/17/T (CLY- KITZ -011)	M 31	-59.863,69	5.256.407,82	Fieberbrunn	
49/17/T (CLY- KITZ-012)	M 31	-60.551,58	5.257.598,68	Fieberbrunn	
50/17/T (CLY- KITZ-013)	M 31	-60.551,58	5.258.804,32	Fieberbrunn	
51/17/T (CLY- KITZ-014)	M 31	-60.203,94	5.259.403,46	Fieberbrunn	
52/17/T (CLY- KITZ -015)	M 31	-59.501,26	5.259.403,46	Fieberbrunn	
53/17/T (CLY- KITZ -016)	M 31	-60.914,02	5.258.197,81	Fieberbrunn	
54/17/T (CLY- KITZ -017)	M 31	-61.254,26	5.258.804,32	Fieberbrunn	
55/17/T (CLY- KITZ -018)	M 31	-60.914,02	5.259.403,45	Fieberbrunn	
56/17/T (CLY- KITZ-019)	M 31	-60.194,72	5.255.800,21	Fieberbrunn	
57/17/T (CLY- KITZ-020)	M 31	-60.553,37	5.255.200,49	Fieberbrunn	
58/17/T (CLY- KITZ-021)	M 31	-60.553,38	5.256.399,93	Fieberbrunn	
59/17/T (CLY- KITZ-022)	M 31	-60.894,40	5.255.800,22	Fieberbrunn	
60/17/T (CLY- KZTZ-023)	M 31	-60.194,72	5.254.600,76	Fieberbrunn	Aurach

61/17/T (CLY- KITZ-024)	M 31	-60.900,28	5.254.600,77	Fieberbrunn	Aurach
62/17/T (CLY-KITZ-025)	M 31	-61.247,17	5.255.200,49	Fieberbrunn	Aurach
63/17/T (CLY-KITZ-026)	M 31	-60.553,38	5.254.001,04	Fieberbrunn	Aurach
64/17/T (CLY-KITZ-027)	M 31	-61.599,95	5.254.594,89	Fieberbrunn	Aurach
65/17/T (CLY-KITZ-028)	M 31	-61.594,07	5.255.800,21	Fieberbrunn	
66/17/T (CLY-KITZ-029)	M 31	-61.247,17	5.256.394,06	Fieberbrunn	
67/17/T (CLY-KITZ-030)	M 31	-61.952,73	5.256.399,93	Fieberbrunn	
68/17/T (CLY-KITZ-031)	M 31	-61.946,85	5.255.200,49	Fieberbrunn	Aurach
69/17/T (CLY-KITZ-032)	M 31	-62.299,63	5.255.800,21	Fieberbrunn	Aurach
70/17/T (CLY-KITZ-033)	M 31	-62.299,62	5.254.600,76	Aurach	
71/17/T (CLY-KITZ-034)	M 31	-61.594,07	5.258.199,11	Fieberbrunn	
72/17/T (CLY-KITZ-035)	M 31	-61.594,07	5.259.392,67	Fieberbrunn	
73/17/T (CLY-KITZ-036)	M 31	-61.946,85	5.258.798,83	Fieberbrunn	
74/17/T (CLY-KITZ-037)	M 31	-61.247,17	5.257.593,50	Fieberbrunn	
75/17/T (CLY-KITZ-038)	M 31	-60.900,27	5.256.999,66	Fieberbrunn	
76/17/T (CLY-KITZ-039)	M 31	-61.599,95	5.256.999,66	Fieberbrunn	
77/17/T (CLY-KITZ-040)	M 31	-61.952,73	5.257.593,50	Fieberbrunn	
78/17/T (CLY-KITZ-041)	M 31	-62.299,62	5.256.999,66	Kitzbüchel Land	Fieberbrunn
79/17/T (CLY-KITZ-042)	M 31	-62.652,41	5.257.599,38	Kitzbüchel Land	Fieberbrunn
80/17/T (CLY-KITZ-043)	M 31	-62.293,75	5.258.199,10	Fieberbrunn	
81/17/T (CLY-KITZ-044)	M 31	-62.652,41	5.258.792,95	Fieberbrunn	
82/17/T (CLY-KITZ-045)	M 31	-62.299,63	5.259.398,55	Fieberbrunn	
83/17/T (CLY-KITZ-046)	M 31	-62.993,42	5.258.199,10	Kitzbüchel Land	Fieberbrunn
84/17/T (CLY-KITZ-047)	M 31	-62.999,30	5.256.999,66	Kitzbüchel Land	
85/17/T (CLY-KITZ-048)	M 31	-63.352,08	5.257.599,38	Kitzbüchel Land	Fieberbrunn
86/17/T (CLY-KITZ-049)	M 31	-63.352,08	5.258.798,82	Kitzbüchel Land	Fieberbrunn
87/17/T (CLY-KITZ-050)	M 31	-63.005,18	5.259.398,55	Fieberbrunn	
88/17/T (CLY-KITZ-051)	M 31	-62.650,00	5.256.400,26	Kitzbüchel Land	Fieberbrunn, Aurach
89/17/T (CLY-KITZ-052)	M 31	-62.649,99	5.255.202,51	Aurach	
90/17/T (CLY-KITZ-053)	M 31	-63.008,02	5.254.597,13	Aurach	
91/17/T (CLY-KITZ-054)	M 31	-63.001,50	5.255.801,38	Kitzbüchel Land	Aurach
92/17/T (CLY-KITZ-055)	M 31	-63.340,00	5.255.196,00	Aurach	
93/17/T (CLY-KITZ-056)	M 31	-63.691,52	5.254.597,13	Aurach	

94/17/T (CLY-KITZ-057)	M 31	-64.049,54	5.255.202,51	Kitzbühel Land	Aurach
95/17/T (CLY-KITZ-058)	M 31	-64.401,05	5.254.597,13	Aurach	
96/17/T (CLY-KITZ-059)	M 31	-64.746,05	5.255.202,51	Kitzbühel Land	Aurach
97/17/T (CLY-KITZ-060)	M 31	-63.691,52	5.255.801,38	Kitzbühel Land	Aurach
98/17/T (CLY-KITZ-061)	M 31	-63.340,00	5.256.393,75	Kitzbühel Land	Aurach
99/17/T (CLY-KITZ-062)	M 31	-64.043,03	5.256.400,26	Kitzbühel Land	
100/17/T (CLY-KITZ-063)	M 31	-64.401,05	5.255.801,38	Kitzbühel Land	
101/17/T (CLY-KITZ-064)	M 31	-65.097,57	5.255.801,38	Kitzbühel Land	Aurach
102/17/T (CLY-KITZ-065)	M 31	-65.097,56	5.254.597,13	Aurach	
103/17/T (CLY-KITZ-066)	M 31	-65.442,57	5.255.196,00	Kitzbühel Land	Aurach
104/17/T (CLY-KITZ-067)	M 31	-64.739,54	5.256.393,75	Kitzbühel Land	
105/17/T (CLY-KITZ-068)	M 31	-65.442,57	5.256.400,25	Kitzbühel Land	Aurach
106/17/T (CLY-KITZ-069)	M 31	-65.800,59	5.255.801,38	Kitzbühel Land	Aurach
107/17/T (CLY-KITZ-070)	M 31	-66.145,60	5.256.400,26	Kitzbühel Land	
108/17/T (CLY-KITZ-071)	M 31	-63.702,89	5.256.997,52	Kitzbühel Land	
109/17/T (CLY-KITZ-072)	M 31	-64.402,07	5.257.002,51	Kitzbühel Land	
110/17/T (CLY-KITZ-073)	M 31	-65.106,24	5.256.997,51	Kitzbühel Land	
111/17/T (CLY-KITZ-074)	M 31	-64.052,48	5.257.596,81	Kitzbühel Land	
112/17/T (CLY-KITZ-075)	M 31	-64.751,66	5.257.596,80	Kitzbühel Land	
113/17/T (CLY-KITZ-076)	M 31	-63.702,89	5.258.206,09	Kitzbühel Land	
114/17/T (CLY-KITZ-077)	M 31	-64.402,06	5.258.201,09	Kitzbühel Land	
115/17/T (CLY-KITZ-078)	M 31	-65.450,83	5.257.596,81	Kitzbühel Land	
116/17/T (CLY-KITZ-079)	M 31	-65.101,24	5.258.201,10	Kitzbühel Land	
117/17/T (CLY-KITZ-080)	M 31	-64.052,48	5.258.805,38	Kitzbühel Land	
118/17/T (CLY-KITZ-081)	M 31	-64.756,65	5.258.800,39	Kitzbühel Land	
119/17/T (CLY-KITZ-082)	M 31	-65.450,83	5.258.800,39	St. Johann in Tirol	Kitzbühel Land
121/17/T (CLY-KITZ-084)	M 31	-63.698,46	5.259.399,70	Kitzbühel Land	Fieberbrunn
122/17/T (CLY-KITZ-085)	M 31	-64.401,43	5.259.399,70	St. Johann in Tirol	Kitzbühel Land
123/17/T (CLY-KITZ-086)	M 31	-65.100,16	5.259.399,70	St. Johann in Tirol	Kitzbühel Land
124/17/T (CLY-KITZ-087)	M 31	-64.049,95	5.260.001,03	St. Johann in Tirol	Kitzbühel Land, Fieberbrunn
125/17/T (CLY-KITZ-088)	M 31	-64.748,68	5.260.001,03	St. Johann in Tirol	

126/17/T (CLY-KITZ-089)	M 31	-65.455,89	5.260.001,03	St. Johann in Tirol	
127/17/T (CLY-KITZ-090)	M 31	-64.401,43	5.260.606,61	St. Johann in Tirol	
128/17/T (CLY-KITZ-091)	M 31	-65.104,40	5.260.602,37	St. Johann in Tirol	
129/17/T (CLY-KITZ-092)	M 31	-65.798,89	5.260.606,60	St. Johann in Tirol	
130/17/T (CLY-KITZ-093)	M 31	-65.807,36	5.259.399,70	St. Johann in Tirol	Kitzbüchel Land
131/17/T (CLY-KITZ-094)	M 31	-65.450,97	5.261.204,52	St. Johann in Tirol	
132/17/T (CLY-KITZ-095)	M 31	-66.148,70	5.261.202,29	St. Johann in Tirol	
133/17/T (CLY-KITZ-096)	M 31	-66.150,93	5.260.003,62	St. Johann in Tirol	
135/17/T (CLY-KITZ-098)	M 31	-65.801,79	5.257.002,86	Kitzbüchel Land	
137/17/T (CLY-KITZ-100)	M 31	-60.203,85	5.253.403,67	Aurach	

**Austrian Tenement Schedule – Leogang - Clancy Second Priority in at least 50% of the licence area**

Designation	Reference Meridian	Coordinates in Metres		Cadastral Municipalities	
		Y	X	Centre in the Cadastral Municipality	Other Cadastral Municipality Concerned
49/17/S (CLY-LEOG-001)	M 31	-47.949,45	5.255.194,95	Schwarzleo	Sonnberg
50/17/S (CLY-LEOG-002)	M 31	-48.648,10	5.255.198,14	Schwarzleo	
52/17/S (CLY-LEOG-004)	M 31	-48.297,18	5.254.598,39	Schwarzleo	
53/17/S (CLY-LEOG-005)	M 31	-48.999,02	5.254.598,39	Schwarzleo	
54/17/S (CLY-LEOG-006)	M 31	-48.644,91	5.253.995,45	Schwarzleo	
55/17/S (CLY-LEOG-007)	M 31	-49.349,93	5.253.995,45	Schwarzleo	
59/17/S (CLY-LEOG-011)	M 31	-49.348,40	5.255.197,62	Schwarzleo	
60/17/S (CLY-LEOG-012)	M 31	-49.693,80	5.254.599,97	Schwarzleo	
61/17/S (CLY-LEOG-013)	M 31	-50.046,95	5.255.201,50	Schwarzleo	Grießen
62/17/S (CLY-LEOG-014)	M 31	-50.050,42	5.254.001,55	Schwarzleo	
63/17/S (CLY-LEOG-015)	M 31	-50.393,99	5.254.596,68	Schwarzleo	
65/17/S (CLY-LEOG-017)	M 31	-50.755,97	5.255.191,80	Schwarzleo	Grießen
66/17/S (CLY-LEOG-018)	M 31	-50.749,84	5.254.001,56	Schwarzleo	
67/17/S (CLY-LEOG-019)	M 31	-51.093,42	5.254.596,68	Schwarzleo	
69/17/S (CLY-LEOG-021)	M 31	-51.449,26	5.254.001,56	Schwarzleo	
70/17/S (CLY-LEOG-022)	M 31	-51.449,26	5.255.191,79	Schwarzleo	Grießen
72/17/S (CLY-LEOG-024)	M 31	-51.798,98	5.254.596,67	Schwarzleo	
73/17/S (CLY-LEOG-025)	M 31	-52.142,55	5.255.197,93	Schwarzleo	Grießen
75/17/S (CLY-LEOG-027)	M 31	-51.099,55	5.253.400,30	Schwarzleo	
76/17/S (CLY-LEOG-028)	M 31	-51.792,84	5.253.394,16	Schwarzleo	
77/17/S (CLY-LEOG-029)	M 31	-52.142,55	5.254.001,56	Schwarzleo	
97/17/S (CLY-LEOG-049)	M 31	-55.290,75	5.254.600,21	Fieberbrunn	
100/17/S (CLY-LEOG-052)	M 31	-55.652,54	5.253.997,24	Fieberbrunn	
102/17/S (CLY-LEOG-054)	M 31	-55.994,22	5.254.600,21	Fieberbrunn	
113/17/S (CLY-LEOG-065)	M 31	-56.349,30	5.253.997,24	Fieberbrunn	

**Austrian Tenement Schedule – Kitzbühel - Clancy Second Priority in at least 50% of licence area**

Designation	Reference Meridian	Coordinates in Metres		Cadastral Municipalities	
		Y	X	Centre in the Cadastral Municipality	Other Cadastral Municipality Concerned
120/17/T (CLY-KITZ-083)	M 31	-65.800,42	5.258.201,09	Kitzbühel Land	
134/17/T (CLY-KITZ-097)	M 31	-66.153,17	5.258.802,72	St. Johann in Tirol	Kitzbühel Land
136/17/T (CLY-KITZ-099)	M 31	-66.153,31	5.257.600,01	Kitzbühel Land	

*Clancy NSW tenement listing*  
(As at 27 October 2017)

State	Project	Lease No	Status	JV Project	Manager	Clancy interest	Area (km <sup>2</sup> )	Note
NSW	CONDOBOLIN	EL 7748	Renewed	No	Clancy	100%	89.3	
NSW	GENAREN	EL 7927	Renewed	No	Clancy	100%	95.4	
NSW	CUNDUMBUL	EL 6661	Renewed	No	Clancy	100%	69.3	
NSW	FAIRHOLME	EL 6552	Renewed	No	Clancy	100%	54.5	
NSW	FAIRHOLME	EL 6915	Renewed	No	Clancy	100%	114.7	
NSW	ORANGE EAST	EL 8442	Granted	Yes	Alkane	100%	40.2	Alkane earning 60%
NSW	TRUNDLE	EL 8222	Renewed	No	Clancy	100%	167.2	
NSW	JEMALONG	EL 8502	Granted	No	Clancy	100%	91.6	

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Clancy Exploration limited

### ABN

65 105 578 756

### Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(50)	(50)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(148)	(148)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(194)</b>	<b>(194)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,463	1,463
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(194)	(194)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,269</b>	<b>1,269</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,069	1,263
5.2 Call deposits	200	200
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,269 #</b>	<b>1,463 #</b>
# Excludes \$130,000 of restricted cash.		

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
75
-

Payments to directors/director associates for director fees, accounting and serviced office fees.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000

## Mining exploration entity and oil and gas exploration entity quarterly report

**8. Financing facilities available**

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

--

Total facility amount  
at quarter end  
\$A'000

Amount drawn at  
quarter end  
\$A'000

**9. Estimated cash outflows for next quarter****\$A'000**

9.1 Exploration and evaluation

250

9.2 Development

9.3 Production

9.4 Staff costs

9.5 Administration and corporate costs

130

9.6 Other (provide details if material)

**9.7 Total estimated cash outflows****380**

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EL7399 EL8302	Relinquished Relinquished	100% 100%	0% 0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased		Nil		

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



(~~Director~~/Company secretary)

Date: ....31 October 2017 .....

Print name: ....Rowan Caren...

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.