



30 March 2010

Company Announcements Office
Australian Securities Exchange
Level 5, 123 Eagle Street
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Mexico Exploration Update

Key Points

Acquisition of Global Resources Corporation Pty Ltd finalised 19th March 2010.

Drilling at La Calera completed 2nd March 2010.

Drilling intersected wide alteration zones dominated by silica-carbonate-sulphides, and veined and brecciated sediments.

Visible gold found in historical trench at La Calera.

Assays from the drilling are pending.

Planning for significant works on other primary targets is underway.

Exploration Update – El Rodeo Project

Given that the transaction to acquire Global Resources Corporation Pty Ltd is complete, and that transaction exposes Cloncurry Metals Limited shareholders to the El Rodeo Project, located in south-western Mexico, it is appropriate that we provide this guidance as to the status of the exploration program underway, and planned, for El Rodeo.

The El Rodeo Project is a multi-element exploration opportunity with at least 4 primary and three secondary targets.

The primary targets are:

- Cacanicas – Cu/Mo Porphyry
- La Calera – Gold dominant skarn
- La Ferrosa – Gold dominant skarn
- Real de Espiritu Santo – Ex producing Silver mine.

For further details, including historical exploration results, on the El Rodeo Project please refer to the various reports located on our website at www.cloncurrymetals.com.au, specifically the 2009 Independent Technical Report prepared by Ian Foreman of Foremost Geological Services, located in Vancouver, Canada.

All the primary targets, along with secondary targets are depicted on Figure 1, below:

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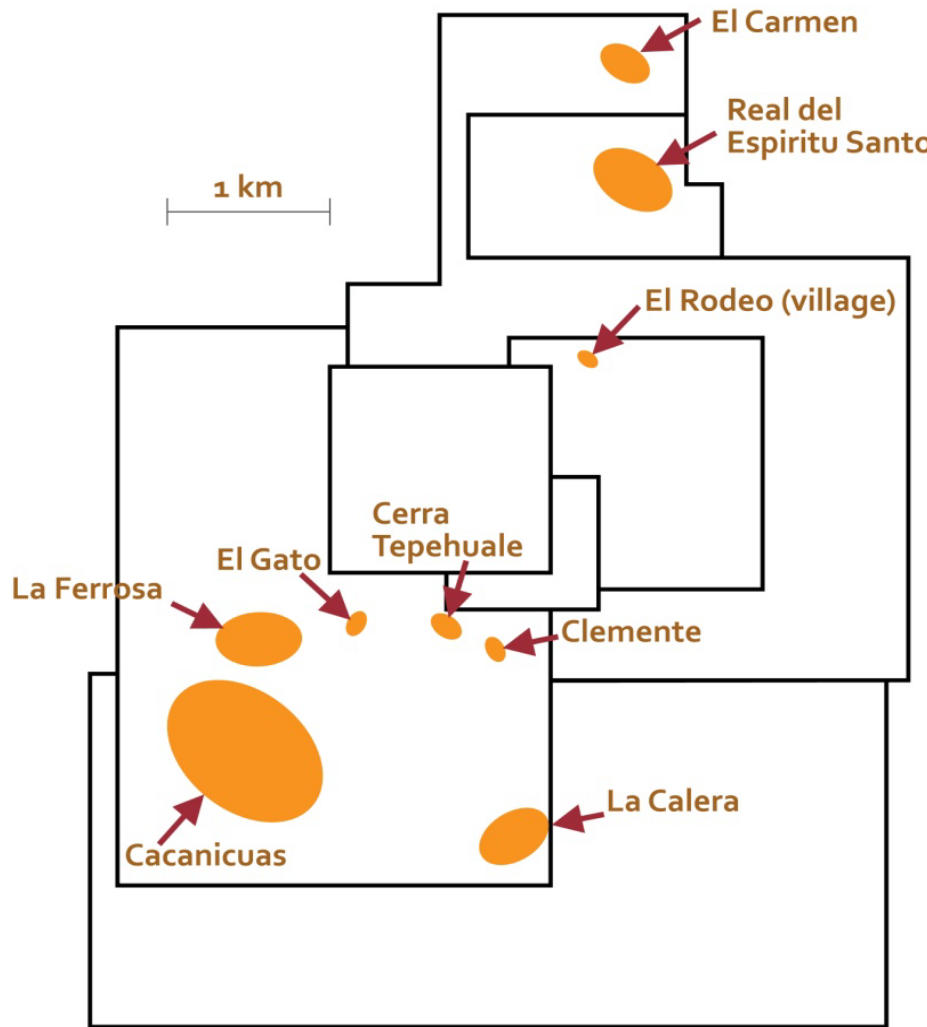
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Figure 1 – Concession holdings comprising the El Rodeo Project.



La Calera

La Calera is one of the primary exploration targets at Cloncurry's newly acquired El Rodeo Project, the target being a large Au-Cu-Ag skarn resource suitable for open pit mining. The main area of interest is a north-west trending structural zone adjacent to the Rodeo granitic intrusive. The zone contains gossanous rocks and veined sediments within an area of highly anomalous gold and copper soil geochemistry over an area of approximately 200m by 600m. This geochemical anomaly is open to the north-west and north-east.

During late February and early March, Cloncurry carried out a small four hole drilling program at La Calera testing this geochemical anomaly. Assay results of ERDDH5 and 5A are expected within a fortnight and the other results should follow a week or so after that.

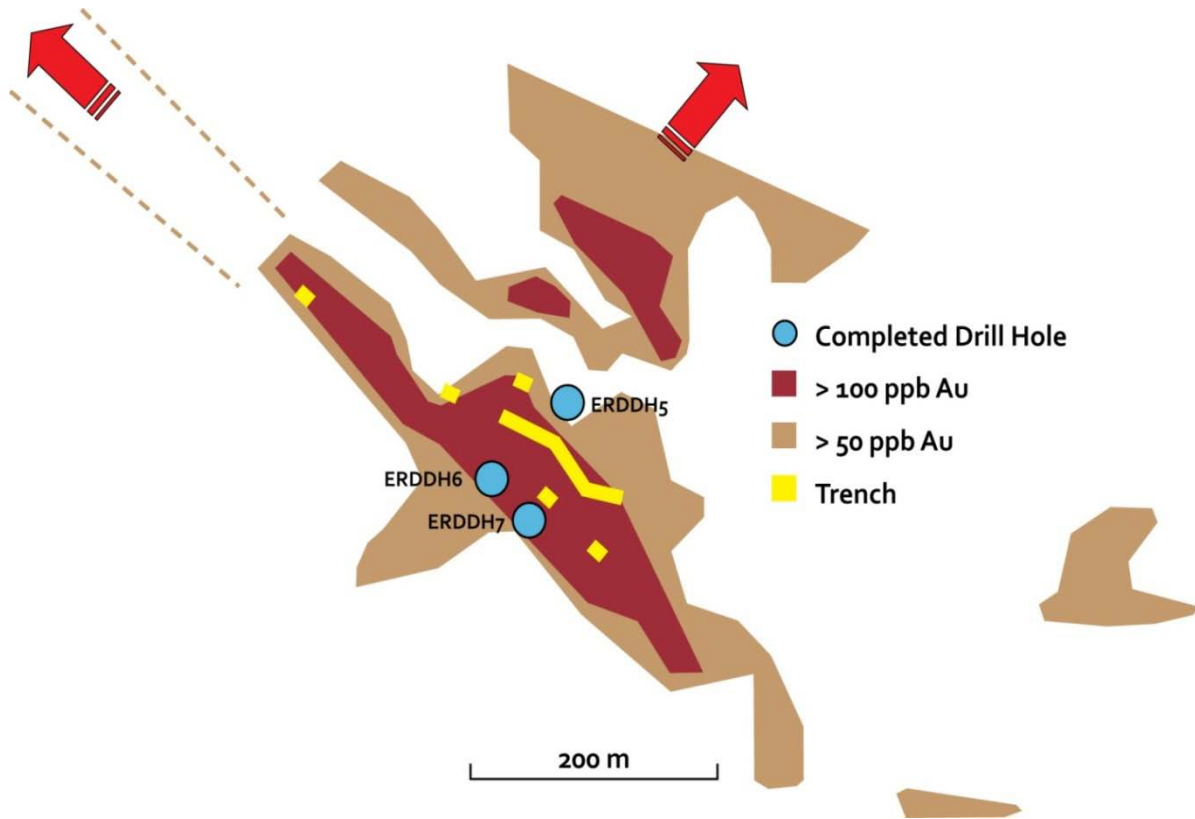
Drilling intersected some gossans, wide alteration zones dominated by silica-carbonate-sulphides, and veined and brecciated sediments. The location of the holes is depicted on Figure 2 below and presented in detail in Table 1.

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Table 1 – March 2010 – La Calera drill hole locations

Hole ID	Easting	Northing	Elevation	Total Depth(m)	Azimuth	Dip
ERDDH-05	271220	2058266	525	222.65	205	-60
ERDDH-05A	271220	2058266	525	41.15	205	-80
ERDDH-06	271189	2058165	510	202.95	25	-60
ERDDH-07	271216	2058165	505	178.05	25	-60
Total				644.80		

Figure 2 – Diagram showing the soil sampling anomalies, along with recently completed drillhole locations.



Of interest, during recent prospect mapping at La Calera associated with the drilling, some visible gold was located in the main trench (see Figure 3)

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Figure 3 – Photograph of Au in quartz (specimen ~2cm long also contains coarser brassy pyrite) from the main trench at La Calera.



Depending on the assay results, further work will include:

- 3 lines of Dipole – Dipole IP, one on the existing main drill section and one each at the strike extremities of the known system. This will better define the extent and geometry of the mineralisation.
- Extension of the soil geochemistry surveys along strike to the north-west, and across strike to the north-east.
- Further diamond drill holes to further test the prospect.

Cacanicuas

The target sought at Cacanicuas is an Cu-Mo porphyry deposit which would provide the opportunity for a large scale mining operation.

Previous drilling at Cacanicuas identified broad zones of anomalous Cu-Mo mineralisation (See the Ian Foreman Technical Report for details).

Planned work includes:

- Large scale airborne magnetic survey.
- At least 2 lines of Dipole – Dipole IP to test for the chargeability zones, indicators of stronger mineralisation.
- Further deep drilling designed to intercept well-developed Cu-Mo mineralisation.

Planning for the geophysical work is now underway, with appropriate service providers being identified.

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La Ferrosa

Along with La Calera, La Ferrosa is another gold dominant skarn prospect which has a strong magnetic anomaly and excellent gold-copper trenching results from historical work.

Follow up work will include:

- Extension of the Cacanicuas magnetic survey, which will be useful to map geology, and identify and model the magnetite - Cu skarn target.
- Geological mapping.
- Dipole – dipole IP surveys to directly detect sulphides.
- Diamond drilling if warranted.

Real de Espiritu Santo

The target here is high grade Ag veins and vein stockworks, and precious metal rich, polymetallic replacement zones.

There is no previous drilling or geophysics within the target area but the existence of remnants of extensive historical mining is encouraging.

Ground mapping has commenced and other planned work includes:

- A ground magnetic survey to pick up structures and /or lodes.
- Extensive Dipole – Dipole IP aimed at defining the zones of best Ag rich sulphide mineralisation at depth.
- If warranted drilling will then be carried out, designed to intersect the lode below the old workings.

Yours sincerely



Barry Casson
Company Secretary/Finance Director
Cloncurry Metals Limited

The information in this ASX release that relates to Exploration Results is based on information compiled by Mr W.F. Bunting, an Australian Geologist who is employed by Bunting Exploration Services Pty Ltd and BES Canada Inc., companies associated with him and retained by the Company to provide specialist geological services. Mr Bunting is Member of the Australian Institute of Geoscientists and has in excess of 5 years' experience which is relevant to the styles of mineralisation and types 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 Bunting consents to the inclusion in this ASX release of the matters based on this information in the form and context in which it appears."

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