



28 October 2008

Company Announcements Office
Australian Securities Exchange Limited
Level 5, Riverside Centre
123 Eagle Street
BRISBANE QLD 4000

Chairman's Address and CEO Presentation

Please find following the Chairman's address and CEO presentation for the Cloncurry Metals Limited Annual General Meeting to be held today.

Yours sincerely

Barry Casson
Company Secretary/Finance Director
Cloncurry Metals Limited

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AGM OF CLONCURRY METALS LTD, 28 October 2008

Ladies and Gentlemen,

Having welcomed you and introduced ourselves, these times require me to give a determined statement of what we have been doing, what we have left in the kitty, and how we will succeed in Cloncurry Metals.

No-one predicted the current situation regarding the world financial situation and metal prices. However, there is a positive in the situation now in that many small companies are willing to consider mergers, to be far more selective regarding projects.

We have a good team for the fight ahead, in the experience of the Board, our CEO Simon Finnis has wide operating experience and is one of the most determined and level-headed of men; and in our Exploration and Development Manager Glen Beere.

What have we completed this first year?

We have not completed all the drilling we expected to do, for reasons of drilling difficulties, and taking care with the complex Pegmont lode; for reasons of how best to add value to Pegmont in these times, which has been by step-out drilling, not intense drilling of known mineralisation; and for conserving cash.

As we have announced, we are in discussion with BHP Billiton at Cannington 25km away, about integrating the Pegmont development with their plans.

That value of Pegmont is much greater that way, and it should be a win-win for both companies. In the medium to long term, metal prices will rise more than people expect, because the great drive of Asia to modernise out of poverty is not going away.

We are just now starting to drill the major grassroots projects in our prospectus, after geophysical surveys and modelling. We will be careful of grassroots expenditure. The project at Burdekin looks more promising than when we took it up.

Finally, we have kept cash. We plan to end the calendar year with \$4 million in the bank.

The Future

There are no half measures in such times. Your company is determined to make deals to acquire projects and/or cash.





We have discussed widely, and there is general consensus from financiers and long term minerals people that now is the time:-

- To consolidate ownership of prospects and cash by mergers, and select from the combined assets.
- That those companies showing initiative and momentum can gain support and emerge strong from this crisis.

Your Company will lead in this merging and prioritising of opportunities. There will be some share dilution, as experienced investors will expect, and at present there are opportunities to justify this dilution in the near term and take advantage of higher prices in the medium to long term.

The CEO will make a presentation at the end of this meeting, and we will have opportunity for questions.

Thank you for supporting us, and for coming today, and we assure you we are here to succeed for you.

Ross Fardon

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