



28 April 2009

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

**Quarterly Report
Period Ending 31 March 2009**

Cloncurry Metals Limited is please to provide the following report on activities for the period ending 31 March 2009 along with its Appendix 5B for the period.

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 G. M. Beere, who is the full time Exploration and Development Manager for the Company and a Fellow of the Australian Institute of Mining and Metallurgy. Mr Beere 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 Beere 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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Quarterly Report

Period ending 31 March 2009



ASX Code: CLU

KEY POINTS

- All results received for the Burdekin drilling carried out late in 2008; assays show moderate widths of low grade Ag mineralisation occur at the Fish Creek and Molongle Prospects.
- Work commences at Wallaby Prospect as part of the Perisher Joint Venture
- All assays received for the deep drill hole into the Kennedy Highway Broken Hill type anomaly, with geochemically anomalous Mn, P, Pb, Zn and Cu returned from the upper parts of the Proterozoic basement.
- Board and executive reorganisation completed, and cost savings continue
- Available cash at 31 March was \$3.75 million

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CORPORATE ACTIVITIES

Cashflow during the quarter actually increased cash resources by approximately \$147,000 due to the Company receiving reimbursement of \$536,000 from BHP Billiton, in relation to drilling costs incurred at the Pegmont Project in the December 2008 quarter.

There were no major corporate activities during the March quarter however significant changes did occur on 6 April 2009 which were reported in an announcement that same date and are reconfirmed as follows.

A number of changes have occurred to management and the Board of Directors, summarised as follows:

The Company's CEO, Mr Simon Finnis, decided to accept a senior position with another company and the Board decided not to replace him at the current time.

In the circumstances, the CLU Board took the opportunity to make a series of additional changes, designed to reduce costs, focus the Board's presence in Brisbane, and concentrate simply on company-making transactions. These additional changes are noted as follows:

- Mr Stephen Everett, the founder of the Company and principal of Global Resources Corporation Pty Ltd (the Company's major shareholder with a 26.7% shareholding), was appointed to the Board and will take a major role in taking the Company forward. Mr Everett has considerable experience in the resource industry over some 35 years
- Messrs Fardon, Bunting and Thorpe resigned from the Board, effective 6 April. Messrs Casson and Arnett remain as independent directors, and Mr Casson remains Company Secretary
- Messrs Fardon, Bunting and Thorpe have been retained for a period of one year as advisers, on a nominal fee basis, so as to maintain Company knowledge and the specialised expertise they offer
- The former CEO, Mr Simon Finnis, was appointed to the Board as a non executive director, thereby retaining some continuity and Company knowledge going forward

At the first meeting of the new Board, held on 22 April 2009, Mr Everett was unanimously elected Chairman of the Company.

EXPLORATION ACTIVITIES

1. South Cloncurry Tenements

As has been previously reported, the deep hole into the Kennedy Highway Broken Hill type anomaly was a technical success, intersecting what is interpreted as the outer part of a BHT alteration halo.

The hole, partly funded by a CDI grant of \$80,000 from the Queensland Department of Mines under the Smart Mining-Future Prosperity programme, was abandoned at 942m after intersecting Proterozoic basement at 752m. Drilling was by rotary mud methods to 708m with NQ2 diamond core to the end of the hole.

All assay results have now been received. Elevated Mn, P, Pb, Cu, and Zn were encountered in the upper 120m of basement. As expected, the obviously altered parts of the hole comprising the sillimanite- garnet schist and the quartz carbonate-pyroxene rock contain elevated Mn, P, and Cu (best 20m @ 560ppm Cu, table below). In addition, the upper part of the visually unaltered psammite and quartzo-feldspathic gneiss sequence to 872m contains strongly elevated Pb and Zn, with a 32m interval from 840m averaging 260ppm Pb (including 6m @ 885ppm from 866m). Peak Pb assays of 2m @ >0.5% Pb from 828m were returned from a pegmatite above the wider interval of anomalous Pb.

Geochemical Assays	Host
Pb: 32m @ 260ppm from 840m, including 6m @ 885ppm from 866m	Psammite
Zn: 20m @ 550ppm from 826m, and 6m @ 740ppm from 866m	Psammite
Cu: 20m @ 560ppm from 798m	Quartz-carbonate-pyroxene alteration

3. Burdekin Tenements

Fifteen percussion RC holes were completed in the Fish Creek and Mt Dillon/ Molongle prospect areas for 1,762m, testing various anomalies identified by Cloncurry Metals during earlier exploration.

Drilling intersected moderate widths of low grade Ag mineralisation at both the Fish Creek and Molongle prospects, with thin intervals of low grade Au also returned from the Molongle Prospect. All assays are presented in Attachment 1.

Holes were drilled with a percussion RC rig using a face sampling hammer with drill cuttings collected in plastic sample bags at 1m intervals. Drill cuttings were sub-sampled for laboratory assaying using a PVC spear and composited in 3m intervals with each sample weighing between 3-4kg. Duplicates of the composites, and standards of known metal content, were inserted in the field sample stream at a rate of 1 in 20 samples. All drill holes have been qualitatively geologically logged, and magnetic susceptibility measurements have been taken on each metre interval.

Samples were analysed by SGS Laboratories in Townsville; sample dissolution was achieved using an aqua regia digest; Au was analysed by graphite furnace AAS (method ARL155), and a range of pathfinder and base elements were determined by ICPAES (method ARI155).

All holes are located on a GDA94 grid, and were set out using a hand held GPS with an accuracy of +/- 5m.

4. Perisher Joint Venture Tenements

During the period Fusion Resources Ltd was the subject of a successful takeover bid by Paladin Energy Ltd. As a result Fusion is now a wholly owned subsidiary of Paladin, although this change has no material effect on the Joint Venture.

The Company has decided to do some preliminary exploration on the Wallaby prospect situated on EPM12656 which forms part of the Joint Venture tenements.

The Wallaby prospect is a long known geophysical anomaly which is known to host gold mineralisation. The geophysical anomaly comprises a large (3km long) EM anomaly with a bullseye magnetic anomaly towards the north end. Previous work during the 1990's revealed gold anomalism coincident with the EM, and previous shallow RC drilling (max 154m) returned a best intersection of 12m at 1.2g/t Au.

The main magnetic anomaly has not been tested, and Cloncurry's view is that there remains potential to host a large breccia type deposit or a shear hosted gold deposit.

The proposed program is to conduct detailed ground magnetic and soil geochemical surveys over the magnetic anomaly and adjacent area. Modelling of that data will determine if drilling is warranted.

TENEMENTS

The Company has carried out a critical review of all its exploration tenements. This has resulted in a significant reduction in the area of most of the South Cloncurry tenements, and consequently, a significant reduction in tenement rental commitments. The status of all Cloncurry Metals Limited Exploration Permits and applications is shown below. Changes due to relinquishment are set out in the accompanying Appendix 5B.

Application	Title	Sub Blocks	Status	Expiry
EPM 15944	Toolebuc (Brackenburgh)	46	Granted 20/11/07	19/11/12
EPM 15945	Toolebuc (Brackenburgh North)	41	Granted 20/11/07	19/11/12
EPM 15946	Toolebuc	57	Application Proposed	
EPM 15947	Springvale	89	Granted 19/12/07	18/12/12
EPM 19548	Kennedy Highway	110	Granted 20/11/07	19/11/12
EPM 15952	Burdekin (Strathbogie)	21	Granted 14/12/07	13/12/12
EPM 15969	Burdekin (Edinburgh Castle)	79	Granted 21/06/07	20/06/12
EPM 15971	Burdekin (Tondarra)	17	Granted 19/12/07	18/12/12
EPMA 17115	Bouliia (Lawson)	21	Application Proposed	
EPMA 17116	Bouliia (Macartney)	91	Application Proposed	
EPMA 17117	Bouliia (Lucknow)	59	Application Proposed	
EPMA 17141	Bouliia (Brighton)	20	Application Proposed	
EPMA 17142	Bouliia (Verdun)	78	Application Proposed	
EPMA 16696	Pegmont	20	Application	
EPMA 17605	Burdekin	3	Application	
EPMA 17745	Burdekin (Castleview)	51	Application	
EPMA 17749	Burdekin (Bogie)	30	Application	

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CORPORATE DIRECTORY

Directors

Mr Stephen Everett Non executive Chairman
Michael Arnett Non Executive Director
Barry Casson Finance Director
Simon Finnis Non Executive Director

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Exploration Manager

Glenn Beere

Company Secretary

Barry Casson

Postal Address

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Auditors

KPMG
Level 16, 71 Eagle Street
Brisbane Queensland 4000

Share Registry

Computershare Investor Services
Level 19, 307 Queen Street
Brisbane Queensland 4000
Telephone: 1800 552 270 (Investor Enquiries)

Share Capital

58,340,050 shares
3,250,000 unlisted options, expiring 9 October 2012 at varying vesting dates and exercise prices (ranging from \$0.25 to \$0.60)

CLONCURRY METALS LIMITED – QUARTERLY REPORT FOR MARCH 2009

ATTACHMENT 1 – Burdekin Drilling results (FCRC01 to FCRC19 previously reported)

HOLE_ID	PROSPECT	GDA_E	GDA_N	GDA_AZ	DIP	TD(m)	INTERSECTIONS (>1g/t Ag)
FCRC01	Fish Creek	554721	7783796	262	-60	144	No significant intersection
FCRC02	Fish Creek	554903	7784009	278	-60	182	No significant intersection
FCRC03	Fish Creek	557050	7784602	262	-60	168	3m from 144m at 1.4 g/t Ag;
FCRC04	Fish Creek	556092	7783047	278	-61.5	168	3m from 123m at 1.4g/t Ag
FCRC06	Fish Creek	556608	7784782	278	-60	132	3m from 75m at 0.9 g/t Ag; and 6m from 87m at 0.95 g/t Ag
FCRC15	Fish Creek	556721	7784776	262	-60	78	34m from 48m at 1.5 g/t Ag (EOH)
FCRC16	Fish Creek	556108	7785214	237	-60	78	No significant intersection
FCRC17	Fish Creek	556200	7785066	237	-60	66	No significant intersection
FCRC18	Fish Creek	556315	7785055	237	-60	78	6m from 27m at 1 g/t Ag; 24m from 45m at 1.5g/t Ag
FCRC19	Fish Creek	556509	7785014	237	-60	60	9m from 48m at 1.3 g/t Ag
MDRC01	Mount Dillon	563932	7786835	82	-60	132	No significant intersection
MDRC02	Mount Dillon	563491	7785356	172	-60	204	9m from 36m at 6.3 g/t Ag from 36m; 3m from 162m at 1.6 g/t Ag; and 3m from 174m at 1 g/t Au and 1.6 g/t Ag
MDRC03	Mount Dillon	563642	7785185	262	-60	78	6m from 3m at 0.1 g/t Au; 36m from 18m at 3.2 g/t Ag including 3m from 24m at 0.3 g/t Au
MDRC04	Mount Dillon	563236	7785212	262	-60	90	3m from 51m at 1 g/t Ag;
MDRC05	Mount Dillon	564004	7788072	37	-60	104	No significant intersections

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