



ACCLAIM EXPLORATION N.L.

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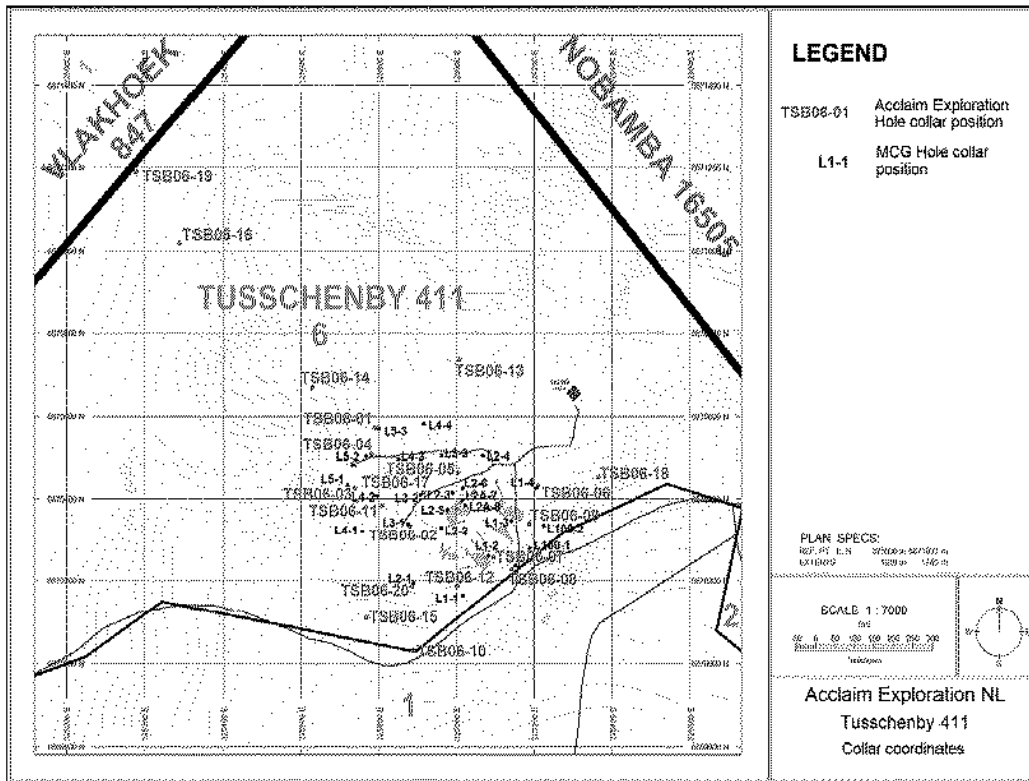
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Acclaim Exploration- Quarterly Activities Report

During the quarter Acclaim Exploration continued it's previously announced drilling campaign in South Africa on the Denny Dalton project. Acclaim and it's geological consultants, Caracle Creek International Consulting Group ("CCIC"), were pleased with the progress of the drilling and the quality of the core recovered. Samples of split core were assayed by SGS Lakefield with cross checks conducted by Setpoint Laboratories to verify results for Quality Assurance and Quality Control.

Drilling commenced in June 2006 and finished during September 2006. A total of 764.05m was drilled in this first phase of drilling at an average depth of 38.20m per hole with the deepest hole TSB06-19 at 68.23m and the shallowest TSB06-15 at 11.23m. A total of 896 samples (including 122 blanks and standards) were submitted to SGS Lakefield for analysis of U_3O_8 and Au content. 19 of the 20 holes drilled intersected the MCR with only TSB06-20 not intersecting reef as it went straight into the Nsuze Group. Of the holes drilled in and around the mine area holes TSB06-03, TSB06-08, TSB06-09, TSB06-12 and TSB06-15 intersected some of the most encouraging visible mineralisation returning grades of up to 771g/t U_3O_8 over 20cm in hole TSB06-09 and 13.7g/t Au over 20cm in TSB06-12. These values are extremely encouraging and give this prospect great potential to yield further such mineralization.





MCG collar coordinates and Acclaim Exploration first phase collar coordinates on portion 1 of Tusschenby411 in and around the Denny Dalton Gold Mine.

Previously completed exploration on Tusschenby by Mabex Consulting Geologist (MCG) estimated an inferred mineral resource on the farms of 31.5 million tonnes. The inferred tonnage was estimated based on the exploration undertaken by MCG, the position of “known” payshoot trends noted by Southern Sphere, and the knowledge of the mineralisation and the project area by the director of MCG. Based on this MCG estimated the following JORC resources as listed in the following Table.

Table : Resources as calculated by Mabex Consulting Geologists.

	Tonnage	Grade (kg/t)	Width (m)	U ₃ O ₈ (t)
Inferred	31,500,000	0.35	1.0	11,025
	Tonnage	Grade (g/t)	Width (m)	Au (Moz)
Inferred	31,500,000	2.5	1.0	2.5

A complete database has been constructed to store and manage all data pertaining to the Denny Dalton uranium and gold project by CCIC. All available previous historical data has been captured into this database including all the current drilling and assaying that has been completed over the last few months. This database is used not only to manage the data but also to use in various geological software packages to create and understand more about the geology of the Denny Dalton area.

Acclaim Exploration through Caracle Creek International Consulting Group is gathering some quality data on the project area that will assist in future planning of the project.

Subsequent to the end of the quarter, Acclaim Exploration has adopted an aggressive drilling campaign scheduled to commence in November. The accelerated drilling program aim is to upgrade the current Inferred Resource of 31.5 million tonnes of 0.35kg/t U₃O₈ and 2.5g/t Au to a Measured Resource to allow the completion of a mining pre-feasibility.

The farm Tusschenby 411 is located in northern rural KwaZulu Natal some ±70km south-east of the town of Vryheid near the southern end of the known limits of the 3.1 – 2.9 billion year old Pongola Basin within the White Umfolozi Inlier. The target on the Property is the Mozaan Contact Reef of the Mozaan Group – a 3-4.5m thick conglomerate formation lying unconformably on the underlying Nsuze Formation with only the bottom 45 to 90cm of this pyretic conglomerate yielding anomalous erratic gold and uranium mineralisation. This unit was intermittently mined by the Denny Dalton Gold Mine from 1893 to 1926. The dip of the geology varies between 9° and 11°.

Due to the similarity and proposed time equivalence of the geology with that of the West and Central Rand groups of the Witwatersrand Supergroup this deposit has attracted some attention. Since that time four phases of exploration have been completed to further tests its potential. The most extensive exploration being conducted by Southern Sphere on behalf of the Atomic Energy Corporation in the 1970's and the most recent by Mabex Consulting Geologists on behalf of Savanna Diamonds (Pty) Limited. A total of 266 (known) holes have been drilled on the Property and surrounding areas with the compilation of a geological map by Southern Sphere.

The Denny Dalton Project is situated at the southern most end of a major Precambrian basin in which deep erosion has stripped away the cover rocks and exposed the units of the Pongola Super Group. This Pongola basin is compatible in size with the Witwatersrand but about 300 million years older. The Pongola rocks are estimated to be 3.1–2.9 billion years compared with the Witwatersrand which spans 2.75 – 2.5 billion years. Mineralisation at Denny Dalton occurs as shoots of gold and uranium concentrations within conglomerate beds at the base of the Mozaan Group. These conglomeritic beds outcrop over a strike area of approximately 4km with the Mozaan Contact Reef (MCR) the principal economic horizon lying unconformably on the Insuzi Lava Formation. Previous stratigraphy above the MCR, have shown to have economic potential both for gold and uranium.

Yours faithfully

Neville J Bassett

<p>The information in this report that relates to exploration, mineral resources or mineral reserves is based on information compiled by Mr Brian Thomas who is a member of the Australasian Institute of Mining and Metallurgy who has sufficient experience which is relevant to the style of mineralisation and type 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 Brian Thomas is the Principal of B D Thomas & Associates, a consultant to the company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</p>

Summary of Selected Drilling

Hole No	From (m)	To (m)	Width (m)	Au g/t	U ₃ O ₈ g/t
06 - 01	21.97	22.17	0.20	0.05	111.0
	22.17	22.36	0.19	0.03	58.0
	21.97	22.36	0.39	0.04	84.5
	33.02	33.22	0.20	0.05	140.0
	33.22	33.42	0.20	0.05	61.0
	33.42	33.62	0.20	0.04	33.0
	33.62	33.83	0.21	0.04	15.0
	33.83	34.04	0.21	0.03	68.0
	34.04	34.24	0.20	0.06	59.0
	34.24	34.43	0.19	0.03	39.0
	33.02	34.43	1.41	0.04	59.3
	35.84	36.05	0.21	0.17	98.0
	36.05	36.26	0.21	0.04	19.0
	35.84	36.26	0.42	0.11	58.5
06 - 02	23.70	23.90	0.20	0.03	20.0
	23.90	24.10	0.20	1.61	62.0
	23.70	24.10	0.40	0.82	41.0
06 - 03	23.08	23.28	0.20	0.03	139.0
	23.28	23.49	0.21	0.04	115.0
	23.49	23.69	0.20	0.07	265.0
	23.69	23.88	0.19	0.07	175.0
	23.88	24.09	0.21	0.03	81.0
	24.09	24.29	0.20	0.03	101.0
	23.08	24.29	1.21	0.05	146.0
	25.29	25.50	0.21	0.03	17.0
	25.50	25.70	0.20	0.07	192.0
	25.29	25.70	0.41	0.05	104.5
	38.90	39.11	0.21	1.15	189.0
	39.11	39.31	0.20	2.02	58.0
	39.31	39.51	0.20	0.17	43.0
	39.51	39.71	0.20	0.06	31.0
38.90	39.71	0.81	0.85	80.3	
06 - 05	7.11	7.31	0.20	0.96	26.0
06 - 06	9.61	9.80	0.19	0.04	38.0
	9.80	10.00	0.20	0.00	186.0
	10.00	10.20	0.20	0.00	99.0
	10.20	10.40	0.20	0.03	29.0
	10.40	10.60	0.20	0.00	38.0
	10.60	10.80	0.20	0.00	19.0
	10.80	11.00	0.20	0.00	46.0
	11.00	11.20	0.20	0.00	65.0
	9.61	11.20	1.59	0.01	65.0

Hole No	From (m)	To (m)	Width (m)	Au g/t	U ₃ O ₈ g/t
06 - 08	13.39	13.58	0.19	0.00	44.0
	13.58	13.78	0.20	0.03	232.0
	13.78	13.98	0.20	0.03	128.0
	13.98	14.18	0.20	0.00	15.0
	14.18	14.39	0.21	0.00	33.0
	14.39	14.58	0.19	0.03	36.0
	14.58	14.78	0.20	0.00	52.0
	14.78	14.99	0.21	0.02	47.0
	13.39	14.99	1.60	0.01	73.4
	27.39	27.59	0.20	0.04	54.0
	27.59	27.79	0.20	0.03	35.0
	27.79	27.99	0.20	0.04	26.0
	27.99	28.19	0.20	1.70	96.0
	27.39	28.19	0.80	0.30	52.8
06 - 09	24.66	24.86	0.20	0.05	47.0
	24.86	25.06	0.20	0.03	24.0
	25.06	25.26	0.20	0.02	19.0
	25.26	25.46	0.20	0.07	43.0
	25.46	25.66	0.20	0.03	29.0
	25.66	25.87	0.21	0.07	27.0
	25.87	26.06	0.19	0.34	168.0
	26.06	26.26	0.20	5.04	771.0
	24.66	26.26	1.60	0.71	141.0
06 - 12	19.53	19.73	0.20	0.07	23.0
	19.73	19.95	0.22	0.00	10.0
	19.95	20.14	0.19	0.08	91.0
	20.14	20.34	0.20	3.60	156.0
	20.34	20.54	0.20	3.85	77.0
	20.54	20.74	0.20	13.70	257.0
	20.74	20.95	0.21	1.35	233.0
	20.95	21.15	0.20	9.50	73.0
	21.15	21.36	0.21	0.51	44.0
	19.53	21.36	1.83	3.63	107.1
06 - 14	25.34	25.56	0.22	0.00	39.0
	25.56	25.76	0.20	0.00	53.0
	25.76	25.96	0.20	0.04	111.0
	25.96	26.16	0.20	0.02	30.0
	26.16	26.36	0.20	0.03	84.0
	26.36	26.56	0.20	0.05	140.0
	26.56	26.75	0.19	0.09	137.0
	26.75	26.94	0.19	0.03	73.0
	26.94	27.16	0.22	0.03	58.0
	27.16	27.36	0.20	0.02	41.0
	27.36	27.55	0.19	0.04	39.0
	27.55	27.76	0.21	0.04	67.0
	27.76	27.96	0.20	0.00	18.0
	27.96	28.16	0.20	0.02	30.0
	28.16	28.34	0.18	0.03	46.0
	28.34	28.56	0.22	0.02	40.0
25.34	28.56	3.22	0.03	62.9	

Hole No	From (m)	To (m)	Width (m)	Au g/t	U ₃ O ₈ g/t
06 - 15	2.26	2.46	0.20	1.67	23.0
	2.46	2.66	0.20	0.18	29.0
	2.66	2.86	0.20	2.52	58.0
	2.86	3.07	0.21	2.62	36.0
	3.07	3.26	0.19	1.75	32.0
	2.26	3.26	1.00	1.75	35.6
06 - 16	59.78	59.97	0.19	0.09	33.0
	59.97	60.18	0.21	0.42	17.0
	60.18	60.68	0.50	0.09	0.0
	60.68	61.18	0.50	4.26	45.0
	59.78	61.18	1.40	1.22	23.8
06 - 18	31.74	31.94	0.20	0.00	103.0
	31.94	32.13	0.19	0.03	74.0
	31.74	32.13	0.39	0.02	88.5
	45.38	45.58	0.20	0.00	120.0
	45.58	45.78	0.20	0.11	149.0
	45.78	45.98	0.20	0.02	198.0
	45.38	45.98	0.60	0.04	155.7
	49.13	49.33	0.20	0.04	87.0
	49.33	49.53	0.20	0.00	44.0
	49.53	49.73	0.20	0.00	38.0
	49.73	49.94	0.21	0.02	36.0
	49.13	49.94	0.81	0.01	51.3
	06 - 19	49.13	49.33	0.20	0.04
49.33		49.53	0.20	0.00	44.0
49.53		49.94	0.41	0.02	38.0
49.94		50.14	0.81	0.02	56.3

Notes

1. Sampling based on 20cm intervals of half NQ core, drill recovery 100%
2. Analysis of gold by standard fire assay with a detection limit of 0.02g/t and for U₃O₈ by pressed pellet XRF finish with a detection limit of 10g/t per 50 gm sample was undertaken at SGS Lakefield Research Africa (Pty) Ltd, Johannesburg.
3. Combined intersections reported based on a 50g/t U₃O₈ or a 0.5g/t Au cutoff.