



ACCLAIM EXPLORATION N.L.

ABN 99 009 076 233

20 July 2006

Companies Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Denny Dalton – Drilling Progress Report

- Five Holes Completed
- Hole Depth Average 25 m to 45 m
- Core samples being cut for assaying

The company is pleased to announce that 5 of the initial 11 targets have been completed at Denny Dalton. Refer attached map.

The new core splitter has arrived on site and work has commenced on the core sampling. This includes preparation for transportation to Johannesburg and assaying by SGC Lakefield. Their website is www.met.sgs.com

Upon the completion of this first phase drill program a second drill program has been proposed by Caracle Creek International Consulting Group (CCIC). This will compliment the first program with holes collared to assist in calculating the initial resource. The exact number of holes to be drilled during this phase can not be provided. However a minimum of 10 holes further out from the known mineralised area will be undertaken – all targeting an extension of the Mozaan Contact Reef (MCR) payshoot.

Denny Dalton 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 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
Secretary

