



ACCLAIM EXPLORATION N.L.

ABN 99 009 076 233

Quarterly Activities Report

For the Period 30 September 2007

DENNY DALTON PROJECT

During the quarter the Company received results from the second phase drilling program on the Company's Denny Dalton Project in KwaZulu-Natal (South Africa).

The program included regional mapping, diamond drilling (2498.90m in 44 holes) and reverse circulation drilling (903m in 27 holes). The main purpose of the initial drilling program was to test and confirm reports of uranium and gold mineralization in and around the historic Denny Dalton Gold Mine, with continued drilling aimed at gaining a better understanding of the subsurface geology and testing extensions to this mineralization.

The average depth of the reverse circulation drilling was 33.44m with the deepest hole drilled to 69m and the shallowest to 6m. There were considerable delays in this part of the programme due to ground water problems and the hardness and the abrasiveness of the quartzites and conglomerates.

A total of 2498.90m of diamond drilling was undertaken, initially with only one rig, which was later supplemented by a larger rig to drill the deeper holes and speed up the drilling programme. The average hole depth was 56.79m with the deepest hole being 232.78m and the shallowest hole being 11.23m.

The drill program was successful in intercepting well developed conglomerates in a number of areas. Of the 71 holes drilled, 48 successfully intersected the MCR. In 11 holes the MCR was poorly developed and in 10 it was absent.

All diamond core was photographed, logged and split at the core yard on site, with the exploration geologist responsible for supervision and quality control. Assaying for Au and U₃O₈ was undertaken by SGS Lakefield Research Africa (Pty) Ltd with check assaying completed at the Setpoint Technology laboratory.

Anomalous gold and uranium results were achieved from various borehole intersections. The gold values have a highly skewed distribution, which is expected with such a sedimentary deposit. The uranium values also exhibit a skewed distribution but appear to have a larger variance than that of the gold.

A 100 x 100 m 2D block model prototype was created. Due to the lack of sufficient data it was not possible to define 3D variogram models. However, a series of grade, channel width and overburden thickness models were generated using inverse distance squared estimation.

The geological modeling of the various conglomerate bodies has significantly increased the understanding of the subsurface geology, and shown that the nature of the mineralized trends are more complex than originally anticipated. It is further evident that these conglomerate lenses represent the basal portions of the active channels of an extensive, bedload dominated, braided channel complex.

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The historical Denny Dalton mine area is situated on what appears to be the largest and best developed channel, with the best development of the basal conglomerate. This conglomerate has extensive pyrite mineralization and also the most anomalous gold grades in the region. The geological model confirmed that the best potential resides in the old Denny Dalton Mine area and east thereof. As such it represents the most developed of several target areas in the Project area. Further drilling in the area at a much closer drill spacing (<50 m) may allow for additional understanding of the grade distribution, as well as possible down dip extensions of the mineralized zone.

Due to the complex nature of the mineralisation a detailed geological facies model will need to be created by an experienced sedimentologist to refine the current understanding of the mineralization and to assist with the setting of closer spaced drilling in what is a highly channelised system.

The Company's Managing Director, Mr Ralph Bagirathi, is currently preparing to initiate a follow up drilling campaign using the data gathered.

The next drilling campaign will start once modeling has been completed and subject to drill rig availability.

Project Description

The farm Tusschenby 411, with Nobamba lying adjacent, 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 Nsuzi Formation with only the bottom 45 to 90cm of this pyritic 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°.

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.

Summary of Drill Results

BHID	FROM	TO	Samp Width	Au (g/t)	U3O8
NBB07_27	113.41	113.6	0.19	0.78	10
NBB07_44	64.69	64.89	0.20	2.12	205
TSB06_02	23.38	23.58	0.20	1.61	62
TSB06_03	38.9	39.11	0.21	1.15	189
TSB06_03	39.11	39.31	0.20	2.02	58
TSB06_05	7.11	7.31	0.20	0.96	26
TSB06_08	27.99	28.19	0.20	1.70	96
TSB06_09	26.06	26.26	0.20	5.04	771
TSB06_12	19.57	19.77	0.20	3.60	156
TSB06_12	19.77	19.97	0.20	3.85	77
TSB06_12	19.97	20.17	0.20	13.70	257
TSB06_12	20.17	20.38	0.21	1.35	233
TSB06_12	20.38	20.58	0.20	9.50	73
TSB06_12	20.58	20.79	0.21	0.51	44
TSB06_15	2.72	2.92	0.20	1.67	23
TSB06_15	3.12	3.32	0.20	2.52	58
TSB06_15	3.32	3.53	0.21	2.62	36
TSB06_15	3.53	3.72	0.19	1.75	32
TSB06_16	60.38	60.88	0.50	4.26	45
TSB06_19	64.02	64.22	0.20	0.51	52
TSB06_22	44.2	44.41	0.21	1.65	5
TSB06_22	44.41	44.76	0.35	0.59	5
TSB06_36	54.09	54.32	0.23	1.09	22
TSB06_53	8.5	9	0.50	0.62	23
TSB06_54	21	21.5	0.50	2.20	50
TSB06_54	21.5	22	0.50	0.54	20
TSB06_56	9	9.5	0.50	1.26	11
TSB06_56	9.5	10	0.50	0.93	20
TSB06_59	11.5	12	0.50	1.46	5
TSB06_60	16.5	17	0.50	3.90	10
TSB06_61	22	22.5	0.50	4.75	757
TSB06_61	22.5	23	0.50	2.78	5
TSB06_62	21	21.5	0.50	1.44	119
TSB06_64	20.5	21	0.50	1.41	124
TSB06_64	21	21.5	0.50	0.57	26
TSB06_65	27.5	28	0.50	5.13	38
TSB06_66	23	23.5	0.50	1.67	81
TSB06_66	23.5	24	0.50	0.53	48
TSB06_67	33	33.5	0.50	0.72	105
TSB06_67	33.5	34	0.50	6.61	72
TSB06_68	23.5	24	0.50	0.69	5
TSB06_69	21	21.5	0.50	1.17	37
TSB06_70	41	41.5	0.50	6.72	267
TSB06_78	15.5	16	0.50	0.57	25
TSB06_78	16	16.5	0.50	3.25	17
TSB06_78	16.5	17	0.50	1.85	16
TSB06_80	17.5	18	0.50	3.21	18
TSB06_81	21	21.5	0.50	2.43	24
TSB07_58	56.5	57	0.50	0.50	5
TSB07_58	61	61.5	0.50	1.26	22

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The information in this report that relates to exploration, mineral resources or mineral reserves is based on information provided to and reviewed by Dr. Scott Jobin-Bevans, Managing Director of Caracle Creek International Consulting Inc. and a member of the Association of Professional Geoscientists of Ontario (APGO), Canada. Dr. Jobin-Bevans has sufficient experience that 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' (JORC). Dr Jobin-Bevans consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

GUINEA

In June 2007 the Company entered into an agreement with Laskara Limited to acquire the rights to explore and mine uranium in the West African nation of Guinea. The Company has been granted the entitlement to formally survey the entire Prefectures of Mali, Siguiri, Mamou, Kindia, Kissidougou, Mandiana, and N'Zerekore in Guinea and select what it believes to be the most prospective uranium rich occurrences. The survey does not include land covered by pre-existing rights held within the Prefectures.

During the quarter, due diligence was completed and documentation lodged for approval with the Republic of Guinea Government Ministry. Mr Bagirathi has met with the Minister a number of times and has received advice that the application is progressing through due process. The Company is awaiting Ministerial sign off.

In accordance with the agreement with Laskara Limited, the final terms of the acquisition are subject to negotiation. On receipt of Ministerial sign off, Acclaim expects to be in a position to enter formal agreement with Laskara Limited.

AUSTRALIAN VISIT

During the quarter, Mr Bagirathi represented the Company at two conferences in Australia, the "Africa Down Under" conference in Perth WA and the "Excellence in Mining and Exploration" conference in Sydney, NSW.

Attendance at these conferences enabled Mr Bagirathi to meet with a number of corporate mining analysts, investors and conference delegates, in particular delegates representing African nations where the company is focusing its activities.

Mr Bagirathi will be attending the Company's AGM in November.

INVESTMENT

Acclaim's investment in listed company Metals X Limited (MLX) continued to perform strongly.

Yours faithfully

Neville Bassett
Company Secretary

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