



ACCLAIM EXPLORATION N.L.

ABN 99 009 076 233

Quarterly Activities Report

Quarter Ended 31 December 2007

Denny Dalton Project

During the quarter a review of the comprehensive CCIC report on results from the second phase drilling program was undertaken by the company. The review is ongoing, however, initial indications are that a further drilling programme will be undertaken in and around the old mine site and in particular the area to the east.

Mr Bagirathi, Acclaim's managing director, is in consultation with a suitably qualified geological team preparing the works program for the next phase drilling campaign.

The previous 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. The average depth of the diamond drilling 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.

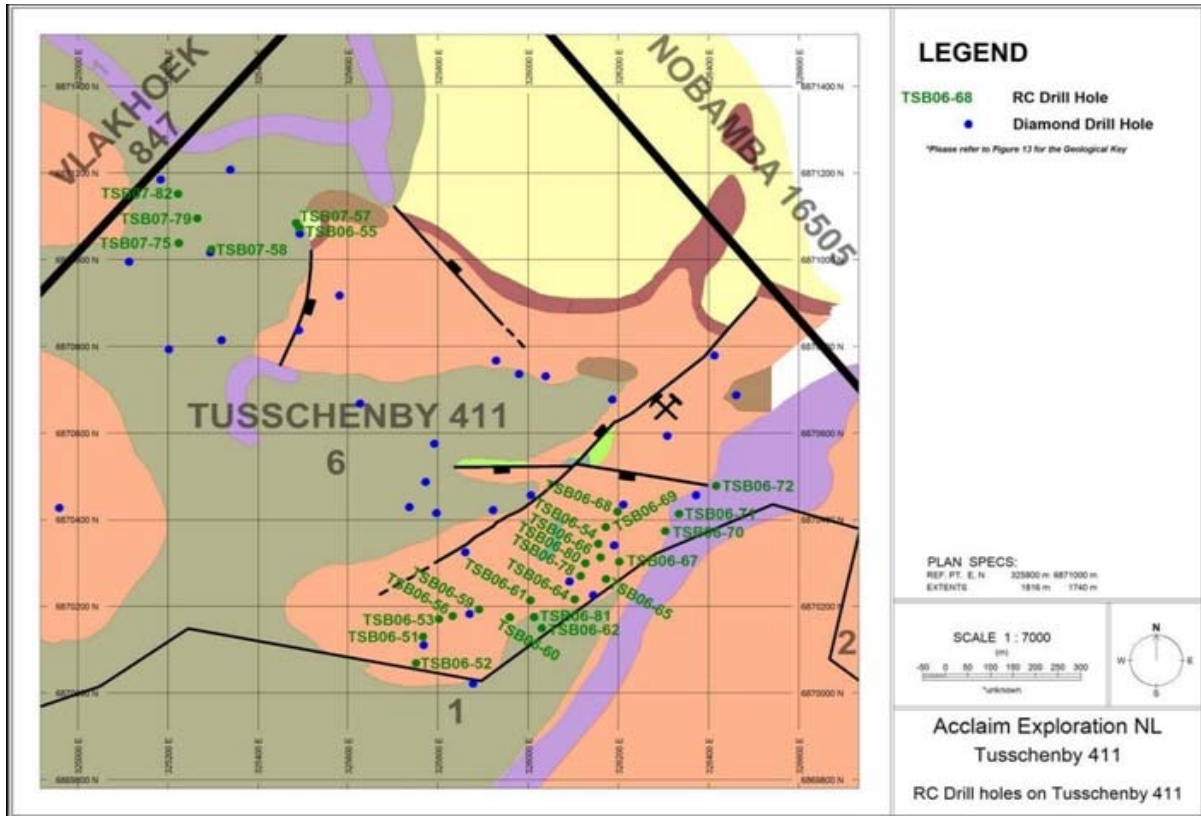
Anomalous gold and uranium results were achieved from various borehole intersections. The gold values have a highly skewed distribution, which is expected with such a sedimentary deposit. The uranium values also exhibit a skewed distribution but appear to have a larger variance than that of the gold.

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.

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.

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Drill Holes



Project Description

The farm Tusschenby 411, with Nobamba lying adjacent, is located in northern rural KwaZulu Natal some ± 70 km 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.

Guinea

As previously announced, the Company has been granted the entitlement to formally survey within the 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.

Work has begun identifying potential targets within the selected Prefectures in anticipation of the formal granting of the exploration licenses. A review of past exploration reports to collate the various datasets is ongoing, with the objective of assessing the potential for viable uranium mineralisation within the 7 Prefectures.

Corporate

To enhance the operational capabilities of the company within Africa, Acclaim has established an operational office in Johannesburg, South Africa. The office will form the operational base for the company's CEO, Mr Bagirathi, together with the technical team.

Yours faithfully

Neville Bassett
Company Secretary

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