



ACCLAIM EXPLORATION N.L.

ABN 99 009 076 233

7th January 2010

Companies Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

DECISION TO PROCEED WITH THE ACQUISITION – NACIMIENTO COPPER URANIUM PROJECT / NEW MEXICO CAPITAL RAISING

Acquisition – Nacimiento Copper Uranium Project / New Mexico

Further to the announcement of the 26th October 2009, the Board of Acclaim Exploration NL (ASX: AEX, “**Acclaim**” or “**the Company**”) is pleased to announce that following the receipt of an independent technical review report on the Nacimiento Copper Uranium project by Coffey Mining Consultants, the company intends to proceed with completion for the acquisition of a 100% interest in Energy Company of America LLC (“**ECA**”), a company incorporated in the State of New Mexico, USA.

ECA holds a number of lode mining claims which lie within a mineral prospective region located in north-central New Mexico. The area lies along the east margin of the San Juan basin and into the adjacent Sierra Nacimiento mountain range within Rio Arriba and Sandoval Counties (“**the Nacimiento Region**”).

The region of interest is a north-south-trending area, 80 km long and 20 km wide, or in excess of 1,500 square kilometres.

ECA holds three blocks of lode mining claims, namely:

Coyote Lode Mining Claims, Sandoval County, New Mexico

The property comprises 53 lode mining claims covering 1,100 acres, in two blocks. The claims were staked to cover a cluster of copper prospects and a cluster of uranium occurrences.

Aranda Lode Mining Claims, Rio Arriba County, New Mexico

The property comprises 50 lode mining claims covering 1,000 acres. The claims were staked to cover a cluster of copper and uranium occurrences.

Los Pinos Lode Mining Claims, Sandoval County, New Mexico

The property comprises 51 unpatented lode mining claims covering 1,120 acres. The claims were staked to cover a cluster of copper and uranium occurrences.

Total production from the Nacimiento Region between 1881 and 1960 was in excess of 7,500,000 pounds of copper and 75,000 ounces of silver, most coming from the San Miguel mine. The San Miguel mine is located about one mile east of the Los Pinos property.

Earth Resources Company explored around the Nacimiento mine (Copper Glance -Cuprite mine) in the late 1960's. The Nacimiento mine started production with reserves of 9.6 million tons at 0.71% copper and produced until 1975 when the mine closed.

Prospectors found uranium in sedimentary rocks in the Nacimiento prospect area and notified the Atomic Energy Commission. The region was extensively prospected during the 1950's. Small shipments of uranium ore were made in the mid-1950's. Renewed interest in uranium in the late 1960's led to exploration drilling in the Jurassic Morrison formation.

The company will focus its program where the potential for discovery exists of sedimentary red-bed copper in the Triassic Chinle formation and for roll-front uranium deposits in sandstone layers in the Morrison formation. Targets would lie at the boundary between organic-rich ground and oxidized sandstone.

Many test holes for oil and gas exploration have been drilled in San Juan Basin sediments, just west of the Sierra Nacimiento. Instrumental logs of these holes, including radiometric and electrical logs, should be available for examination. In particular, numerous test holes for oil and gas have been drilled in T19N, R1W several miles west of the Los Pinos claims. The Company will attempt to acquire logs of these test holes. Examination of these logs will help determine if radioactivity is present and to check the oxidation-reduction nature of the underlying sediments.

The company has completed a preliminary exploration program and budget to commence the first phase of exploration, subject to property access and an improvement in the site conditions representatives will fly to New Mexico to finalize the phase one program.

Consideration

The consideration for the acquisition of the 100% membership interest in ECA will comprise:

- (a) the payment of A\$1,300,000, of which A\$200,000 has been paid in the form of a refundable deposit; and
- (b) the issue of ordinary fully paid shares in the capital of Acclaim to the value of A\$250,000 at date of completion.

The transaction is subject to:

- (a) Acclaim being satisfied (in its absolute discretion) with the results of due diligence investigations on ECA; and
- (b) any necessary consents, approvals, requirements and registrations as shall be required in respect of the acquisition agreement and the transactions contemplated by it being obtained, made and satisfied, including, but not limited to, pursuant to any laws of Western Australia or the State of New Mexico or required by any regulatory authority.

Condition (a) has now been fulfilled.

Capital Raising

The Directors will be lodging a Prospectus in accordance with section 713 of the Corporations Act, subject to regulatory approval to undertake a non-renounceable entitlement issue of ordinary fully paid shares in the capital of Acclaim (**New Shares**) on the basis of one (1) New Share for every one (1) Share held at a record date to be advised (**Entitlement Issue**). The entitlement will also include one (1) free attaching option exercisable at 1.2 cents each on or before 31 December 2012 (**New Option**) for every two (2) New Shares subscribed for and issued.

New Shares under the Entitlement Issue will be offered at \$0.005 per New Share. The maximum number of New Shares which may be issued under the Entitlement Issue is 845,871,353 to raise approximately \$4,209,356 (based on the current capital structure of the Company).

Existing optionholders will not be entitled to participate in the Entitlement Issue without first exercising their options to be registered as a shareholder on the record date, in accordance with the terms and conditions of the options.

New Shares issued under the Entitlement Issue will rank equally with existing ordinary fully paid shares on issue. The Company intends to apply for official quotation of the New Shares and the New Options.

The Company has reached agreement with Raptor Capital LLC to underwrite 100% of the Entitlement Issue.

The funds provided by the Entitlement Issue will be used to undertake exploration activities on the projects the subject of the proposed ECA acquisition, exploration activities on existing projects, and for working capital, including identification of other new projects to enhance the Company's mineral tenements portfolio.

Yours faithfully

N J Bassett
Company Secretary