ACCLAIM EXPLORATION NL
ACN 009 076 233

HALF-YEAR FINANCIAL REPORT

FOR HALF-YEAR ENDED

31 December 2009

DIRECTORS' REPORT

Your directors present the financial report of the consolidated entity for the half-year ended 31 December 2009. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

The names of the directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Anthony Hamilton – Executive Chairman (appointed 26 October 2009)
Craig Willis – Non-Executive Director
John Geary – Non-Executive Director
Ralph Bagirathi – Managing Director (resigned 26 November 2009)

REVIEW OF OPERATIONS

The net loss for the half-year attributable to members of Acclaim Exploration NL was $554,732.

Review of Financial Condition

Capital Structure
The group has net equity at 31 December 2009 of $2,286,946.

Treasury Policy
The Board has not considered it necessary to establish a separate treasury function because of the size and scope of the group's activities.

Liquidity and Funding
The group has cash resources of $1,049,482 at 31 December 2009, together with available-for-sale investments with a fair value of $88,139 and current receivables of $413,099. The Company has a further $800,000 in uncalled capital on partly paid shares. The Company has sufficient cash resources for the group to finance its current operations.

Risk Management
The group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the group's objectives and activities are aligned with the risks and opportunities identified by the Board. The group believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee.

Corporate

Nacimiento Copper Uranium Project

On 26 October 2009 the Company announced and on 19 February 2010, shareholders approved the proposed acquisition of a 100% interest in Energy Company of America LLC ("ECA"), a company incorporated in the State of New Mexico, USA from Sterling Commodities Investments Limited ("Sterling").

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 (referred to as the Nacimiento Copper Uranium project), 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.

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. 50,000,000 ordinary fully paid shares were issued in satisfaction of this share component on 24 February 2010.

Subsequent to shareholder approval, the Company reached agreement with Sterling to vary the terms of settlement for the acquisition of ECA. The parties have agreed to vary the terms of the agreement to allow the balance of A$1,100,000 in (a) above to be satisfied by the issue of ordinary fully paid shares in the capital of the Company at an issue price of $0.005 per share. All other terms remain as previously approved by the shareholders. This variation to the agreement will allow the company to better utilize its cash resources and focus on the in ground project expenditure. The Company will reconvene a shareholders' meeting to approve the variation.

Mangalisa Project

On 24 February 2010 the Company executed a preliminary agreement with Goldcorp Limited ("Goldcorp") to acquire an initial 33% interest, with an option to increase to 50%, in the Mangalisa project in the Free State Goldfields in the Republic of South Africa. The transaction is subject to the completion of due diligence, shareholder & regulatory approvals and formal agreement.

The Mangalisa Gold project is located 20 kms east of Welkom, the urban centre of the Free State Goldfield within the Republic of South Africa. The Exploration right covers an area of 180 km^2 with existing large scale mining operations to both the East and North. Harmony Golds Masimong No5 Shaft gold operations are located 10kms to the south of the project area.

The Free State region has historically produced in excess of 300 million ounces of Gold and has proven mining law and tenement infrastructure. The property has been historically drilled by various groups including Gencor and Superior International Mining.

The company will engage specialist mining consultants to assist with this proposed acquisition which has significant historical data available.

Seven percussion holes were drilled within the exploration area in the 1960's originally, then in 1988 one hole **PG-1** was re opened and sampling confirmed at the 776m depth with the following results:

45.8g/t Au and 3.79kg/t U over 0.45m
91.8g/t Au and 7.24kg/t U over 0.21m
51.1g/t Au and 4.27kg/t U over 0.32m

Consideration

The company will acquire the 33% working interest by the payment of US$5 million plus the issue of US$5 million by way of Shares at an issue price of $0.005 per Share. The shares issued shall be non-dilutionary in quantity with a top up provision whereby the Company will issue further shares to the vendors on completion of the first tranche of a proposed Capital raising to maintain the proportion of shares issued. Thereafter the vendors will dilute in proportion to any further capital raising.

Pursuant to the agreement, the Company will be required to spend a minimum of US$5 million on exploration within the first 12 months to maintain its 33% interest.

Pending the outcome of exploration results the Company can then elect to earn an additional 17% interest, to bring its total interest to 50%, by expending a further US$5 million in exploration on the Mangalisa project.

On 25 February 2010, the Company issued 120,000,000 Shares to the facilitator of the transaction, a non related party, under the Company's 15% placement capability.

Proposed Exploration Plan

Subject to shareholder and regulatory approval, it is proposed on completion of the transaction to drill 8 new boreholes on a 200m grid spacing around the existing hole **PG-1** from which the previously identified results occurred. The plan is to drill the holes to a depth of 1000m in order to verify the existence and provisional extent of the inferred deposition fan structure. The drill cores will then be sampled and assayed on all reef intersections.

The Company will also undertake inspection and location of existing bore holes to correlate the original historical data.

Additionally, further historical data and reports prepared by Snowden's Johannesburg office will be reviewed to assemble a data base of all known exploration records within the permit area.

This potential acquisition is a strategic fit with the acquisition of the Nacimiento Copper Uranium project in New Mexico and represents the implementation of a specific and strategic commodity focus.

The information in this report that relates to exploration, mineral resources or ore reserves on the Mangalisa project is based on information compiled by Dr Rodney Tucker, BSc (Mining Geology), MSc (University of Witwatersrand) who is a consultant to Acclaim Exploration NL. Dr Rodney Tucker 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 described by the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Tucker consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Capital Raising

On 8 March 2010 the company announced that it had executed an agreement with Raptor Capital LLC to underwrite and manage a A$9,174,598 capital raising by way of a combination of funding transactions on terms set out below.

The capital raising of A$9,174,598 will comprise:

(a) Subject to shareholder approval, the private placement of 200,000,000 ordinary fully paid shares ("Shares") at an issue price of $0.025 per Share (together with one free option exercisable at $0.07 on or before 31 December 2012 for every three Shares subscribed for and issued), to raise A$5,000,000;

(b) a pro-rata non-renounceable entitlement issue of Shares on the basis of one (1) New Share for every eight (8) Shares held at a record date to be advised ("Entitlement Issue"). New Shares under the Entitlement Issue will be offered at $0.025 per New Share. The maximum number of New Shares which may be issued under the Entitlement Issue is 126,983,919 to raise approximately A$3,174,598 (based on the current capital structure of the Company); and

(c) a share purchase plan ("SPP") to raise a further A$1,000,000 on terms yet to be finalised.

Denny Dalton Project

No further work was undertaken on the Denny Dalton project during the period and the board is currently considering various options.

As previously reported, the Company has been having ongoing discussion with the Department of Minerals and Energy (DME) for the granting of license applications lodged on the farms to the east of the initial drilling program. The Company has engaged solicitors in South Africa in an attempt to finalise the grant of licenses. Once these licenses have been authorised it is the company's intention to expand the drilling campaign on these adjoining properties. The DME has still not provided the company with a likely date for a decision on these licences.

As previously reported, the company has placed on hold discussion with potential joint venture partners on the Denny Dalton project until resolution of license applications. As a result, the company deferred a proposed RC drilling program in and around the old mine site (in close spacing to the previous holes reported to the market) pending an outcome of these discussions.

Acquisition of Royalty Stream

During the period the company announced that it had entered into a Binding Term Sheet with Arturus Capital Limited ("**AKW**"), to acquire the right title and interest to a 12% (15% of 80%) royalty stream over shallow gas projects located in Jackson County, Texas, USA.

The acquisition of the royalty stream was subject to completion of due diligence to the satisfaction of AEX; and AEX shareholder approval.

On 26 October 2009, the Company announced that by mutual agreement with Arturus Capital Limited the Binding Term Sheet had been terminated.

Under the terms of the Binding Term Sheet Acclaim had paid the sum of US$100,000. This sum was refunded by AKW subsequent to period end.

CHANGES IN STATE OF AFFAIRS

During the half-year ended 31 December 2009 there was no significant change in the entity's state of affairs other than that referred to in the half-year financial statements or notes thereto.

AUDITOR'S DECLARATION OF INDEPENDENCE

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 6 and forms part of this directors' report for the half-year ended 31 December 2009.

Signed in accordance with a resolution of Directors.

A Hamilton
Director
PERTH, Western Australia
Dated: 15 March 2010

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Acclaim Exploration NL for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Acclaim Exploration NL and the entity it controlled during the period.

Perth, Western Australia
15 March 2010

W M CLARK
Partner, HLB Mann Judd

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2009

		Consolidated	
	Note	31 December 2009 $	31 December 2008 $
Continuing operations			
Revenue		**21,323**	280,715
Depreciation expense		**(7,452)**	(4,036)
Carrying value of non-current assets disposed		**-**	(930,416)
Impairment of available for sale investments		**(22,085)**	(1,118,161)
Exploration and evaluation expenses written off	2	**(20,993)**	(6,682,742)
Administrative expenses		**(525,525)**	(427,628)
Loss before income tax expense		**(554,732)**	(8,882,268)
Income tax expense		**-**	-
Net loss for period		**(554,732)**	(8,882,268)
Other comprehensive income		**-**	-
Other comprehensive income for the period, net of tax		**-**	-
Total comprehensive result attributable to members of Acclaim Exploration NL		**(554,732)**	(8,882,268)
Basic loss per share (cents per share)		**(0.06)**	**(1.21)**
Diluted loss per share (cents per share)		**(0.06)**	**(1.21)**

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

	Note	Consolidated 31 Dec 2009 $	30 June 2009 $
ASSETS			
Current Assets			
Cash and cash equivalents		**1,049,482**	2,140,810
Trade and other receivables		**613,099**	188,991
Total Current Assets		**1,662,581**	2,329,801
Non-Current Assets			
Financial assets		**683,109**	616,869
Property, plant and equipment		**40,985**	9,273
Deferred exploration expenditure	2	**100,000**	100,000
Total Non-Current Assets		**824,094**	726,142
Total Assets		**2,486,675**	3,055,943
LIABILITIES			
Current Liabilities			
Trade and other payables		**199,729**	214,265
Total Current Liabilities		**199,729**	214,265
Total Liabilities		**199,729**	214,265
Net Assets		**2,286,946**	2,841,678
EQUITY			
Issued capital	3	**37,389,378**	37,389,378
Reserves		**968,849**	968,849
Accumulated losses		**(36,071,281)**	(35,516,549)
Total Equity		**2,286,946**	2,841,678

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Issued Capital	Accumulated Losses	Unrealised Gains Reserve	Option Reserve	Total Equity
	$	$	$	$	$
At 1 July 2008	36,988,648	(24,239,788)	4,879,240	968,849	18,596,949
Loss for period	-	(8,882,268)	-	-	(8,882,268)
Net change in fair value of available for sale investments	-	-	(4,879,240)	-	(4,879,240)
At 31 December 2008	36,988,648	(33,122,056)	-	968,849	4,835,441
At 1 July 2009	**37,389,378**	**(35,516,549)**	**-**	**968,849**	**2,841,678**
Loss for period	**-**	**(554,732)**	**-**	**-**	**(554,732)**
At 31 December 2009	**37,389,378**	**(36,071,281)**	**-**	**968,849**	**2,286,946**

The above statement should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Consolidated	
	31 Dec 2009 $	31 Dec 2008 $
Cash flows from operating activities		
Payments to suppliers and employees	**(552,959)**	(364,678)
Interest received	**21,323**	6,480
Other revenue	**-**	8,741
Net cash used in operating activities	**(531,636)**	(349,457)
Cash flows from investing activities		
Exploration expenditure	**(20,993)**	(126,916)
Deposit on acquisition of oil and gas interests	**(119,790)**	-
Proceeds on sale of non-current assets	**-**	217,698
Purchase of other financial assets	**(200,000)**	-
Purchase of available for sale investments	**(88,325)**	(708,900)
Loans to other entities	**(91,420)**	(106,562)
Repayment of advances to other entities	**-**	15,573
Payments for plant and equipment	**(39,164)**	-
Net cash used in investing activities	**(599,692)**	(709,107)
Net decrease in cash held	**(1,091,328)**	(1,058,564)
Cash and cash equivalents at beginning of the period	**2,140,810**	1,277,941
Cash and cash equivalents at end of the period	**1,049,482**	219,377

The accompanying notes form part of these financial statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2009 and any public announcements made by Acclaim Exploration NL and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The half-year report has been prepared on a historical cost basis, except for financial assets which are measured at fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2009.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2009 the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2009.

Principles of Consolidation

AASB 127 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. This is different to the Group's previous accounting policy where transactions with minority interests were treated as transactions with parties external to the group.

The standard also specifies the accounting when control is lost. Any remaining interest in the entity must be remeasured to fair value and a gain or loss is recognizes in profit or loss. This is consistent with the entity's previous accounting policy if significant influence is not retained.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The Group will in future allocate losses to the non-controlling interest in its subsidiaries even if the accumulated losses should exceed the non-controlling interest in the subsidiary's equity. Under the previous policy, excess losses were allocated to the parent entity.

Lastly, dividends received from investments in subsidiaries, jointly controlled entities or associates after 1 July 2009 are recognised as revenue even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a result of the dividend payment. Under the entity's previous policy, these dividends would have been deducted from the cost of the investment.

The changes were implemented prospectively from 1 July 2009. There has been no impact on the current period as none of the non-controlling interests have a deficit balance. There have also been no transactions whereby an interest in an entity is retained after the loss of control of that entity, no transactions with non-controlling interests and no dividends paid out of pre-acquisition profits.

Business Combinations

All payments to purchase a business are now recorded at fair value at the acquisition date, with contingent payments included at their respective fair values. Under the Group's previous policy, contingent payments were only recognised when the payments were probable and could be measured reliably and were accounted for as an adjustment to the cost of the acquisition.

Acquisition-related costs are expensed as incurred. Previously, they were recognised as part of the cost of acquisition and therefore included in goodwill.

Non-controlling interests in an acquiree are now recognised either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. This decision is made on an acquisition-by-acquisition basis. Under the previous policy, the non-controlling interest was always recognised at its share of the acquiree's net assets.

If the Group recognises acquired deferred tax assets after the initial recognition accounting there will no longer be any adjustment to goodwill. As a consequence, the recognition of the deferred tax asset will increase the Group's net profit after tax.

Segment Reporting

The Group/Company has adopted AASB 8 *Operating Segments* from 1 July 2009. AASB 8 replaces AASB 114 *Segment Reporting*. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has not resulted in a change in the number of reportable segments presented by the Group as operating segments are reported in a manner that is consistent with internal reporting provided to the chief operating decision maker.

The Group has also reviewed all new standard and interpretations that have been issued but are not yet effective for the half year ended 31 December 2009. As a result of this the Directors have determined that there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and, therefore, no change is necessary to the Group's accounting policies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2009

2. DEFERRED EXPLORATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:

	31 Dec 2009 $	30 June 2009 $
Exploration and evaluation phase – at cost	100,000	100,000
Movement:		
Balance at beginning of period	100,000	
Expenditure incurred	20,933	
Expenditure written off	(20,933)	
Balance at end of period	100,000	

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the relevant areas of interest, at amounts at least equal to book value.

3. ISSUED CAPITAL

	31 Dec 2009 $	30 June 2009 $
Issued Capital		
Ordinary shares – fully paid	34,189,378	34,189,378
Ordinary shares – partly paid	3,200,000	3,200,000
	37,389,378	37,389,378

Movement in shares on issue	**Number**	**$**
(i) Ordinary shares – fully paid		
Balance at beginning of period	805,871,353	34,189,378
Balance at end of period	805,871,353	34,189,378
(ii) Ordinary shares – partly paid		
Balance at beginning of period	40,000,000	3,200,000
Balance at end of period	40,000,000	3,200,000
Total issued and paid up shares	845,871,353	37,389,378

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2009

4. SEGMENT REPORTING

The Group has adopted AASB 8 *Operating Segments* which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The Board of Acclaim Exploration NL reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominantly in one business and geographical segment being the resources sector in South Africa.

Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

5. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

6. SUBSEQUENT EVENTS

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods, other than:

(i) On 19 February 2010, shareholders approved the proposed acquisition of a 100% interest in Energy Company of America LLC ("ECA"), a company incorporated in the State of New Mexico, USA from Sterling Commodities Investments Limited ("Sterling").

ECA holds three blocks of lode mining claims (referred to as the Nacimiento Copper Uranium project), 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.

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. 50,000,000 ordinary fully paid shares were issued in satisfaction of this share component on 24 February 2010.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2009

6. SUBSEQUENT EVENTS (Cont.)

Subsequent to shareholder approval, the Company reached agreement with Sterling to vary the terms of settlement for the acquisition of ECA. The parties have agreed to vary the terms of the agreement to allow the balance of A$1,100,000 in (a) above to be satisfied by the issue of ordinary fully paid shares in the capital of the Company at an issue price of $0.005 per share. All other terms remain as previously approved by the shareholders. This variation to the agreement will allow the company to better utilize its cash resources and focus on the in ground project expenditure. The Company will reconvene a shareholders' meeting to approve the variation.

(ii) On 24 February 2010 the Company executed a preliminary agreement with Goldcorp Limited ("Goldcorp") to acquire an initial 33% interest, with an option to increase to 50%, in the Mangalisa project in the Free State Goldfields in the Republic of South Africa. The transaction is subject to the completion of due diligence, shareholder & regulatory approvals and formal agreement.

Consideration

The company will acquire the 33% working interest by the payment of US$5 million plus the issue of US$5 million by way of Shares at an issue price of $0.005 per Share. The shares issued shall be non-dilutionary in quantity with a top up provision whereby the Company will issue further shares to the vendors on completion of the first tranche of a proposed Capital raising to maintain the proportion of shares issued. Thereafter the vendors will dilute in proportion to any further capital raising.

Pursuant to the agreement, the Company will be required to spend a minimum of US$5 million on exploration within the first 12 months to maintain its 33% interest.

Pending the outcome of exploration results the Company can then elect to earn an additional 17% interest, to bring its total interest to 50%, by expending a further US$5 million in exploration on the Mangalisa project.

On 25 February 2010, the Company issued 120,000,000 Shares to the facilitator of the transaction, a non related party, under the Company's 15% placement capability.

(iii) On 8 March 2010 the company announced that it had executed an agreement with Raptor Capital LLC to underwrite and manage a A$9,174,598 capital raising by way of a combination of funding transactions on terms set out below.

The capital raising of A$9,174,598 will comprise:

(a) Subject to shareholder approval, the private placement of 200,000,000 ordinary fully paid shares ("Shares") at an issue price of $0.025 per Share (together with one free option exercisable at $0.07 on or before 31 December 2012 for every three Shares subscribed for and issued), to raise A$5,000,000;

(b) a pro-rata non-renounceable entitlement issue of Shares on the basis of one (1) New Share for every eight (8) Shares held at a record date to be advised ("Entitlement Issue"). New Shares under the Entitlement Issue will be offered at $0.025 per New Share. The maximum number of New Shares which may be issued under the Entitlement Issue is 126,983,919 to raise approximately A$3,174,598 (based on the current capital structure of the Company; and

(c) a share purchase plan ("SPP") to raise a further A$1,000,000 on terms yet to be finalised.

DIRECTORS' DECLARATION

In the opinion of the directors of Acclaim Exploration NL ('the company'):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:

   (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year then ended.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the Corporations Act 2001.

A Hamilton
Director

PERTH, Western Australia

Dated: 15 March 2010

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of
Acclaim Exploration NL

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report, which comprises the condensed statement of financial position as at 31 December 2009, the condensed statement of comprehensive income, condensed statement of changes in equity, condensed statement of cash flows and notes to the financial statements for the half-year ended on that date, and the directors' declaration, of Acclaim Exploration NL and the entity it controlled during the half-year ended 31 December 2009 ("consolidated entity").

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001*, including giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Acclaim Exploration NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Acclaim Exploration NL is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

HLB Mann Judd.

HLB MANN JUDD
Chartered Accountants

WMClark

Perth, Western Australia
15 March 2010

W M CLARK
Partner