ACCLAIM EXPLORATION NL
ACN 009 076 233

HALF-YEAR FINANCIAL REPORT

FOR HALF-YEAR ENDED

31 December 2010

DIRECTORS' REPORT

Your directors present the financial report of the consolidated entity for the half-year ended 31 December 2010. 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
Craig Willis – Non-Executive Director
John Geary – Non-Executive Director

REVIEW OF OPERATIONS

The net loss for the half-year attributable to members of Acclaim Exploration NL was $852,607.

Review of Financial Condition

Capital Structure
The group has net equity at 31 December 2010 of $6,110,935.

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 $99,994 at 31 December 2010, together with available-for-sale investments with a fair value of $554,112 and current receivables of $2,150,487. 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.

Mangalisa Project

The Mangalisa Project is an exploration property located in the Republic of South Africa, and is prospective for gold and uranium.

The Mangalisa Project is located in the Free State Province of the Republic of South Africa, on the farm subdivision known as Erfenis 328. The 180km^2 license area is situated approximately 20km to the east of the township of Welkom. Welkom is located 220km south west of Johannesburg.

Exploration

During the period, the current drilling program confirmed that the gold and uranium mineralisation intersected in the discovery hole PG1 is shown to continue over an area of at least 4 hectares following completion of phase 1 of the 4 hole ERF drill program.

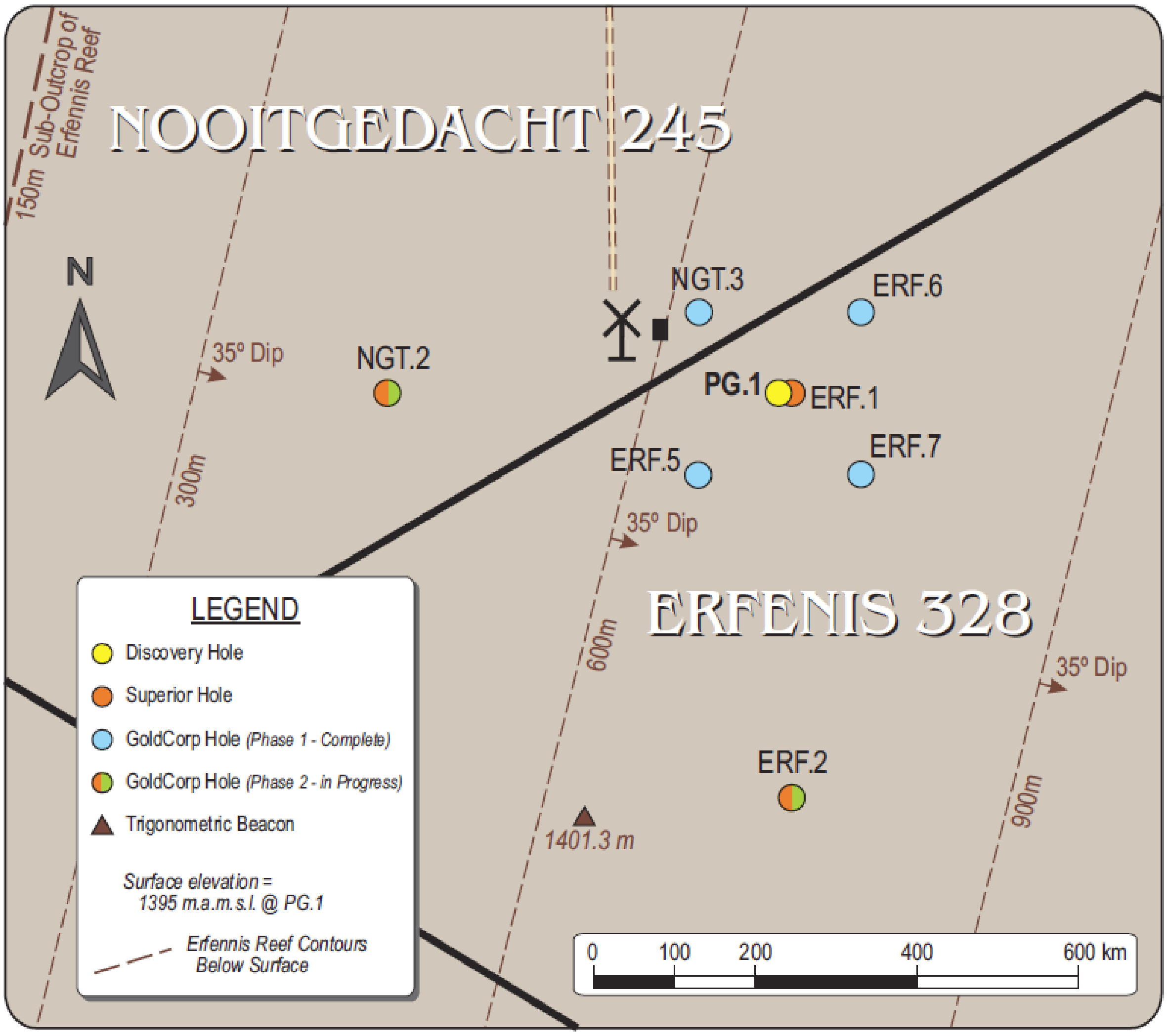
The results of the Phase One drilling to date are in agreement with the geological model. Grade results are indicative of the distal portion of an Elsburg-type Fan system. Mineable grades at the near-by Target Mine are restricted to only a few hundred metres from the sub-crop position. Based on this model, the current drilling on Mangalisa appears to be in the distal portion of a fan system.

The results to date are regarded as significant in the search for potentially payable Elsburg reefs further upstream towards the Fan Apex area.

The values seen in the results have been calculated to a mineable stope width and not reef width. A stope width of 90 cm is considered to be the minimum mineable width.

268 mother hole and 194 deflection (re-cut) samples were submitted for analysis. Three of the better grade reefs intersected were deflected and processed by Snowden Mining Consultants. This was done in order to provide an independent verification of the grade.

Location of Mangalisa drilling on Erfenis and Nooitgedacht



The Mangalisa project has been designed to discover an Elsburg-type Fan deposit of Witwatersrand gold-bearing conglomerate reefs.

Phase 2 Drilling has commenced and will focus on the discovery of the fan apex. Early indications from the NGT2 drill hole are that the development of the conglomerates of the Erfenis Reef Zone is improving to the west of the discovery hole PG1.

Nacimiento Copper Uranium Project

During the period the Company progressed preparation for the commencement of field operations in 2011 with planning well advanced following completion of the budgets and permitting for the exploration program.

The Company 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.

Acclaim 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.

Subject to property access and site conditions the proposed exploration programmes will cover:

Phase One - Exploration Program

- Consultants to report and develop the Nacimiento exploration program
- Review current data and suggested target mineralisation
- Develop program on ground access and any Indigenous issues
- Pay permit requirements from US Army Corp Engineers
- Review historical data and review satellite imagery
- Locate drill logs from Oil and Gas exploration

Stage Two

- Exploration site visit 1st Quarter 2011
- Commence mobilization and preparations for Exploration program
- Determine Air – borne survey targets
- In field on ground samples from selected targets
- Review historical production data from San Miguel Copper Mine and site visit

Stage Three

- Drilling and testing of selected targets subject to completion stage 2
- Complete and report results
- Determine next stage of exploration

The Company had engaged consultants who have provided technical, geological and property consulting services to assist the Company in managing its ongoing financial commitments. The Company has paid the annual maintenance fees to the Bureau of Land Management, US Department of the Interior which meets the requirements on all lode claims.

Corporate

During the period, the Company completed the following securities issues:

(i) the placement of 220,380,553 ordinary fully paid shares (**Shares**) at a subscription price of $0.018 each, (together with the grant of one free attaching option exercisable at $0.05 each on or before 31 December 2013 (**Options**) for every Share subscribed for and issued), raising an amount of $3,966,850;

(ii) pursuant to shareholder approval, issued 220,000,000 Shares to complete the acquisition of a 100% interest in Energy Company of America LLC; and

(iii) issued 40,000,000 Shares in consideration for the provision of technical, geological and property consulting services on the Nacimiento Copper Uranium Project.

EVENTS SUBSEQUENT TO REPORTING DATE

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:

On 18 February 2011, the company issued:

(a) 12,500,000 ordinary fully paid shares, together with 12,500,000 attaching options exercisable at 2 cents each on or before 28 February 2014, in lieu of the cash component for the provision of technical, geological and property consulting services on the Nacimiento Copper Uranium Project; and

(b) 16,000,000 ordinary fully paid shares in lieu of cash settlement on capital raising services.

CHANGES IN STATE OF AFFAIRS

During the half-year ended 31 December 2010 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 7 and forms part of this directors' report for the half-year ended 31 December 2010.

Signed in accordance with a resolution of Directors.

A Hamilton
Director
PERTH, Western Australia
Dated: 16 March 2011

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 2010, 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.

Perth, Western Australia	**W M CLARK**
16 March 2011	**Partner**

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Note	Consolidated	
		31 December 2010 $	31 December 2009 $
Continuing operations			
Revenue		**26,613**	21,323
Depreciation expense		**(1,016)**	(7,452)
Impairment of available for sale investments		**(208,561)**	(22,085)
Exploration and evaluation expenses written off	**3**	**(294)**	(20,993)
Administrative expenses		**(669,349)**	(525,525)
Loss before income tax expense		**(852,607)**	(554,732)
Income tax expense		**-**	-
Net loss for period		**(852,607)**	(554,732)
Other comprehensive income		**-**	-
Other comprehensive income for the period, net of tax		**-**	-
Total comprehensive result attributable to members of Acclaim Exploration NL		**(852,607)**	(554,732)
Basic loss per share (cents per share)		**(0.07)**	(0.06)

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010

	Note	Consolidated 31 Dec 2010 $	Consolidated 30 June 2010 $
ASSETS			
Current Assets			
Cash and cash equivalents		**99,994**	191,091
Trade and other receivables	2	**2,150,487**	304,559
Total Current Assets		**2,250,481**	495,650
Non-Current Assets			
Available for sale investments		**554,112**	562,348
Property, plant and equipment		**36,301**	37,317
Deferred exploration expenditure	3	**5,837,058**	4,073,192
Total Non-Current Assets		**6,427,471**	4,672,857
Total Assets		**8,677,952**	5,168,507
LIABILITIES			
Current Liabilities			
Trade and other payables		**806,264**	1,389,542
Borrowings		**1,760,753**	1,935,000
Total Current Liabilities		**2,567,017**	3,324,542
Total Liabilities		**2,567,017**	3,324,542
Net Assets		**6,110,935**	1,843,965
EQUITY			
Issued capital	4	**43,358,955**	38,239,378
Reserves		**968,849**	968,849
Accumulated losses		**(38,216,869)**	(37,364,262)
Total Equity		**6,110,935**	1,843,965

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Issued Capital	Accumulated Losses	Option Reserve	Total Equity
	$	$	$	$
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
At 1 July 2010	**38,239,378**	**(37,364,262)**	**968,849**	**1,843,965**
Loss for period	**-**	**(852,607)**	**-**	**(852,607)**
Total comprehensive loss for period	**-**	**(852,607)**	**-**	**(852,607)**
Securities issued during the period	**5,266,850**	**-**	**-**	**5,266,850**
Expenses of issue	**(147,273)**	**-**	**-**	**(147,273)**
At 31 December 2010	**43,358,955**	**(38,216,869)**	**968,849**	**6,110,935**

The accompanying notes form part of these financial statements

CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Consolidated	
	31 Dec 2010 $	**31 Dec 2009** $
Cash flows from operating activities		
Payments to suppliers and employees	**(410,373)**	(552,959)
Interest received	**3,113**	21,323
Net cash used in operating activities	**(407,260)**	(531,636)
Cash flows from investing activities		
Exploration expenditure	**(1,364,160)**	(20,993)
Deposit on acquisition of oil and gas interests	**-**	(119,790)
Proceeds on sale of non-current assets	**117,250**	-
Purchase of other financial assets	**-**	(200,000)
Purchase of available for sale investments	**(294,075)**	(88,325)
Loans to other entities	**(2,206,173)**	(91,420)
Repayment of loans to other entities	**358,196**	-
Payments for plant and equipment	**-**	(39,164)
Net cash used in investing activities	**(3,388,962)**	(599,692)
Cash flows from financing activities		
Proceeds from securities issues	**3,966,850**	-
Securities issues transaction costs	**(87,478)**	-
Proceeds from borrowings	**40,000**	-
Repayment of borrowings	**(214,247)**	-
Net cash provided by financing activities	**3,705,125**	-
Net decrease in cash held	**(91,097)**	(1,091,328)
Cash and cash equivalents at beginning of the period	**191,091**	2,140,810
Cash and cash equivalents at end of the period	**99,994**	1,049,482

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 2010

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 2010 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.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

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 2010.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2010, 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 2010.

It has been determined by the Group 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 Group accounting policies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2010

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2010. As a result of this review 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 necessary to Group accounting policies.

Comparatives

Comparative information has been represented so that it is also in conformity with current classifications.

Going Concern

The half year financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group incurred a loss of $852,607 for the period ended 31 December 2010 (2009: $554,732).

The ability of the Company and the Group to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital and ultimately developing one of its mineral properties.

Notwithstanding the fact that the company has a working capital deficit of $316,536, the directors are of the opinion that the company is a going concern for the following reasons:

- The Directors have an appropriate plan to raise additional funds as and when it is required. In light of the Group's current exploration projects, the Directors believe that the additional capital required can be raised in the market; and
- The Directors have an appropriate plan to contain certain operating and exploration expenditure if appropriate funding is unavailable.

Should the Directors not be able to raise sufficient additional funds, there is a material uncertainty whether the Group will be able to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2010

2. TRADE AND OTHER RECEIVABLES

	Consolidated	
	31 Dec 2010 $	30 June 2010 $
Other debtors	**302,510**	304,559
Loan to other entity – unsecured (i)	**1,847,977**	-
	2,150,487	304,559

(i) The loan to other entity is unsecured and repayable on or before 30 June 2011. Interest is charged at a rate of 10% per annum. The loan was made to Modena Resources Ltd, an entity with a common director to Acclaim Exploration NL.

3. DEFERRED EXPLORATION EXPENDITURE

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

	Consolidated	
	31 Dec 2010 $	30 June 2010 $
Exploration and evaluation phase – at cost	**5,837,058**	4,073,192
Movement:		
Balance at beginning of period	**4,073,192**	
Expenditure incurred	**1,764,160**	
Expenditure written off	**(294)**	
Balance at end of period	**5,837,058**	

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2010

4. ISSUED CAPITAL

	Consolidated 31 Dec 2010 $	Consolidated 30 June 2010 $
Issued Capital		
Ordinary shares – fully paid	**40,158,955**	35,039,378
Ordinary shares – partly paid	**3,200,000**	3,200,000
	43,358,955	38,239,378

Movement in shares on issue	**Number**	**$**
(i) Ordinary shares – fully paid		
Balance at beginning of period	975,871,353	35,039,378
Issue for cash – 21/9/2010	71,075,000	1,279,350
Issue of shares as part consideration for acquisition of Energy Company of America LLC	220,000,000	1,100,000
Issue for cash – 22/10/2010	107,749,999	1,939,500
Issue for cash – 3/12/2010	41,555,554	748,000
Issue of shares in satisfaction of consulting services on Nacimiento Copper Uranium Project	40,000,000	200,000
Less – Transaction costs		(147,273)
Balance at end of period	1,456,251,906	40,158,955
(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	1,496,251,906	43,358,955

Share Options at 31 December 2010

	Number	Exercise Price	Expiry Date
Unlisted options	220,380,553	5 cents	31 December 2013

During the period 220,380,553 options exercisable at 5 cents each on or before 31 December 2013 were issued as free attaching options to the shares issued for cash on 21 September 2010, 22 October 2010 and 3 December 2010. 10,500,000 options exercisable at 9 cents each expired during the period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2010

5. SEGMENT REPORTING

The Group operates predominantly in one business segment, namely the acquisition and exploration of uranium/gold properties. The Company operates predominantly in two geographical segments being the Republic of South Africa and the United States of America.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

Operating segments are identified by Management based on the mineral resource and exploration activities in the Republic of South Africa and the United States of America. Discrete financial information about each project is reported to the chief operating decision maker on a regular basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the economic characteristics, the nature of the activities and the regulatory environment in which those segments operate.

The Group has three reportable segments based on the geographical areas of the mineral resource and exploration activities in the Republic of South Africa and the United States of America. Unallocated results, assets and liabilities represent corporate amounts that are not core to the reportable segments.

(i) Segment performance

	Republic of South Africa (Denny Dalton Project)	Republic of South Africa (Mangalisa Project)	United States of America (Nacimiento Project)	Total
	$	$	$	$
Half-Year ended 31 December 2010				
Revenue	-	-	-	-
Total segment revenue	-	-	-	-
Segment net loss before tax	-	-	-	-
Reconciliation of segment result to net loss before tax				
Amounts not included in segment result but reviewed by the Board				
- Exploration expenditure written off				(294)
Unallocated items				
- Interest revenue				3,113
- Profit on sale of non-current assets				23,500
- Impairment expense				(208,561)
- Consulting and director fees expenses				(426,778)
- Administration, management and other expenses				(243,587)
Net loss before tax from continuing operations				(852,607)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2010

5. SEGMENT REPORTING (Cont.)

	Republic of South Africa (Denny Dalton Project) $	Republic of South Africa (Mangalisa Project) $	United States of America (Nacimiento Project) $	Total $
Half-Year ended 31 December 2009				
Revenue	-	-	-	-
Total segment revenue	-	-	-	-
Segment net loss before tax	-	-	-	-
Reconciliation of segment result to net loss before tax				
Amounts not included in segment result but reviewed by the Board				
- Exploration expenditure written off				(20,993)
Unallocated items				
- Interest revenue				21,323
- Impairment expense				(22,085)
- Consulting and director fees				(233,792)
- Administration, management and other expenses				(299,185)
Net loss before tax from continuing operations				(554,732)

(ii) Segment assets

	Republic of South Africa (Denny Dalton Project) $	Republic of South Africa (Mangalisa Project) $	United States of America (Nacimiento Project) $	Total $
As at 31 December 2010				
Segment assets	**100,000**	**3,662,771**	**2,074,287**	**5,837,058**
Segment asset increases/(decreases) for the half-year				
- Exploration and evaluation	-	1,339,579	424,287	1,763,866
Reconciliation of segment assets to total assets				
Other assets				**2,840,894**
Total assets from continuing operations				**8,677,952**
As at 30 June 2010				
Segment assets	100,000	2,323,192	1,650,000	4,073,192
Segment asset increases/(decreases) for the year				
- Exploration and evaluation	-	2,323,192	1,650,000	3,973,192
Reconciliation of segment assets to total assets				
Other assets				1,095,315
Total assets from continuing operations				5,168,507

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the half year ended 31 December 2010

5. SEGMENT REPORTING (Cont.)

(iii) Segment liabilities

	Republic of South Africa (Denny Dalton Project)	Republic of South Africa (Mangalisa Project)	United States of America (Nacimiento Project)	Total
	$	$	$	$
As at 31 December 2010				
Segment liabilities	**-**	**1,745,753**	**200,000**	**1,945,753**
Segment liability increases/(decreases) for the half-year	-	(189,247)	(900,000)	1,089,247
Reconciliation of segment liabilities to total liabilities				
Other liabilities				**621,264**
Total liabilities from continuing operations				**2,567,017**
As at 30 June 2010				
Segment liabilities	-	1,935,000	1,100,000	3,035,000
Segment liability increases/(decreases) for the year	-	1,935,000	1,100,000	3,035,000
Reconciliation of segment liabilities to total liabilities				
Other liabilities				289,542
Total liabilities from continuing operations				3,324,542

6. CONTINGENT LIABILITIES

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

7. 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:

On 18 February 2011, the company issued:

(a) 12,500,000 ordinary fully paid shares, together with 12,500,000 attaching options exercisable at 2 cents each on or before 28 February 2014, in lieu of the cash component for the provision of technical, geological and property consulting services on the Nacimiento Copper Uranium Project; and

(b) 16,000,000 ordinary fully paid shares in lieu of cash settlement on capital raising services.

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

   (b) giving a true and fair view of the Group's financial position as at 31 December 2010 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: 16 March 2011

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Acclaim Exploration NL

Report on the Condensed Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Acclaim Exploration NL ("the Company") which comprises the condensed statement of financial position as at 31 December 2010, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 a Financial Report 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 2010 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.

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HLB Mann Judd

Accountants | Business and Financial Advisers

Independence

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

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 2010 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*.

Continuation as a Going Concern

Without qualification to the conclusion expressed above, we draw attention to Note 1 in the financial report which indicates that the ability of the Group to continue as a going concern is dependent upon raising sufficient additional funds. If the Group is unable to raise sufficient additional funds, there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business.

HLB Mann Judd

HLB MANN JUDD
Chartered Accountants

Perth, Western Australia
16 March 2011

W M CLARK
Partner