



## Quarterly Activities Report

For the Quarter Ended 30 September 2011

### Nacimiento Copper Uranium Project

Preparations for the commencement of field operations in 2011 on the Nacimiento Copper Uranium project are now 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.

Exploration field season is about to commence and Acclaims proposed program includes the following:

#### **STAGE ONE:**

A) Peg the open area between the Los Pinos Lode Claim block and the San Miguel Mine (53 claims).

B) Peg the proposed CU Claim Block (68 claims) contiguous to and south of the Nacimiento Mine and mill site.

**STAGE TWO:**

- A) Fly a low level helicopter airborne mag/radiometric survey over the Nacimiento trend looking for look alikes similar to Olympic Dam/ABRA. The results will identify non-outcropping anomalies and indicate additional targets to acquire by pegging, thereby eliminating competition.
- B) Conduct a detailed ground gravity survey based on mag/radiometric targets.
- C) Conduct a geological literature/well log search after completing interpretation of the regional airborne mag/radiometrics survey on the areas of interest.
- D) Prepare geological reports and assist in permit applications.

**STAGE THREE:**

- A) Design, permit, and conduct drilling programs on targets based on mag/radiometric/gravity/literature search. Prepare reserve reports, etc.
- B) The outlined 3 stage program could be started in a matter of weeks.

**Corporate**

During the previous quarter the company had entered an AUD \$5,000,000 facility with JC Long Term Value Fund (JCLTF) announced to market on 25<sup>th</sup> May 2011, which was to be used to meet the Company's funding requirements for the next stage of exploration and field operations on the Nacimiento Copper Uranium project in New Mexico.

On Wednesday, 13<sup>th</sup> July 2011 the Company received legal advice (over which the Company expressly does not waive legal professional privilege) that recent conduct of JCLTF and its parent company AGS Capital Group LLC (AGS) in relation to the Funding Facility was conduct contrary to the Corporations Act 2001 which was damaging to the interests of the Company and its Shareholders.

On Thursday, 14<sup>th</sup> July 2011 The Board instructed the Company's solicitors to write to JCLTF and AGS advising them that due to their conduct the Funding Facility was at an end and that the Company would be commencing legal proceedings to protect its position.

The company through its solicitors is currently negotiating a settlement between the parties.

**Damon Sweeny**  
Company Secretary