



## ACCLAIM EXPLORATION N.L

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2 June 2011

Company Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

### NEW MEXICO EXPLORATION

The Board of Acclaim Exploration NL (ASX: AEX, "**Acclaim**" or "**the Company**") wishes to advise following its recent announcement on the A\$5,000,000 in working capital and project funding the company now anticipates commencement of its planned exploration program in the third quarter of 2011 with field operations on the Nacimiento Copper Uranium project in New Mexico.

The company's exploration team will start a focused program of known strata bound copper deposits. The company will focus on a number of key factors in the current field program.

- A. Peg the open area between the Los Pinos Lode Claim block and the San Miguel Mine
- B. Peg the proposed CU Claim Block contiguous to and south of the Nacimiento Mine and mill site.
- C. Secure options to conduct sampling at additional selected locations
- D. Fly helicopter low level airborne mag/radiometric survey over the Nacimiento Trend and conduct a detailed geological survey based on the mag/radiometric targets

The Los Pinos claim block is regarded as the most interesting of the Nacimiento Project claim blocks in terms of exploration potential for Cu and U. The Nacimiento Uplift region also contains a number of mostly small copper occurrences and two historic mines. Both deposits are sandstone hosted red bed-type, hosted by the Aqua Zarca Sandstone Member formation of the Triassic Chinle Formation. As noted in the Coffey Mining Pty Ltd ("Coffey") report summarized below, the Los Pinos claim block could be viewed as the starting point for a more extensive evaluation of the potential of the eastern side of the San Juan Basin for Uranium and Copper. The report also identified that 80km's to the southwest of the Nacimiento area very significant uranium mineralization occurred in the Grants District, with over 340 million pounds of U<sub>3</sub>O<sub>8</sub> were produced from deposits in the Grants District up to 2002.

The decision to proceed with the current program is partly based on the high level technical review on the technical merits on the Nacimiento Project provided by Coffey as part of the company's due diligence prior to acquisition. In summary, the Coffey report notes:

The Nacimiento Project comprises 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.



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### ***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.

The total project ground holding in the three blocks is about 13km<sup>2</sup>. The blocks are disposed about the NE, N and W flank of the Nacimiento Uplift, a Precambrian basement block about which are draped Upper Paleozoic and Mesozoic sediments. On the west side of the uplift, the contact is largely faulted and the sediments steeply west-dipping. Elsewhere gentle dipping prevails.

Uranium minerals or radiometric anomalies have been reported by the US Geological Survey from at least 87 localities in the Nacimiento region but to date only minor production is recorded for five localities. All the occurrences are stratabound and host sediments range in age from Carboniferous (Pennsylvanian) to Tertiary. Most occurrences are found in either the Permian Abo Formation or the Jurassic Morrison Formation. The Morrison Formation is host to very significant uranium mineralization in the Grants District about 80km southwest of the Nacimiento area. More than 340 million pounds of U<sub>3</sub>O<sub>8</sub> were produced from deposits in the Grants District up to 2002. They accounted for more than 30% of the total uranium production in the United States.

The Nacimiento Uplift region also contains a number of mostly small copper occurrences and two small historic mines. The San Miguel Mine produced over 3,400t of copper and 75,000oz of silver. More recent historical production came from the Nacimiento Mine which started operations with reserves of 9.6Mt at 0.71% Cu. Both deposits are sandstone hosted red bed-type, hosted by Triassic Aqua Zarca Member of the Chinle Formation.

The Los Pinos claim block is regarded as the most interesting of the claim blocks in terms of exploration potential for Cu and U. It contains outcrop and subsurface extensions of the Agua Zarca Sandstone which hosts the copper mineralization at the San Miguel Mine, a few kilometres along strike to the south. It also contains outcrop and subsurface extension of the Jurassic Morrison Formation which is host to very significant uranium mineralisation in the Grants region. Additional exploration appears to be justified and the Los Pinos claim block could be viewed as a starting point for a more extensive evaluation of the potential of the eastern side of the San Juan Basin for uranium and copper.

Definition of exploration targets for both U and Cu should be considered a justifiable exploration objective for the eastern side of the San Juan Basin / western side of the Nacimiento Uplift. In view of the known endowment, the primary emphasis should be on uranium exploration.

As well as the review of drilling logs from adjacent hydrocarbon exploration, a comprehensive review of the controls on U mineralization in the Grants Region is recommended to assist with uranium target generation within the Los Pinos claim block and along the western margin of the Nacimiento Uplift.

The Coyote and Aranda claim blocks are not regarded as prospective in their own right since they do not contain the two most prospective stratigraphic units for uranium and



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copper (Morrison Formation and Basal Chinle Formation). They are well exposed and/or characterised by residual soils amenable to surface geochemistry, geological prospecting and ground or airborne radiometric surveys. As such they are likely to have been effectively explored for near surface mineralization. The known copper and uranium mineralization within and around the Aranda and Coyote claim blocks is not very significant and is unlikely to have any economic potential.

A small low impact exploration program comprising more detailed historical data compilation and stream sediment geochemistry might be considered as a final filter prior to making a decision on the ground, but is not considered as a high priority.

### **Appointment of Advisors**

Acclaim is also pleased to advise the appointment of Zulu Capital as corporate advisors to the company. The recent financing was arranged by Zulu Capital, an investment banking firm focused on serving emerging growth companies and global alternative asset managers.

Yours faithfully

**A R Hamilton**  
Chief Executive Officer