

**ACCLAIM EXPLORATION N.L.**

ABN 99 009 076 233

18 February 2011

Jenny Cutri
Assistant Manager, Listings (Perth)
ASX Compliance Pty Ltd
2 The Esplanade
Perth WA 6000

Facsimile: 9221 2020

Dear Jenny

Appendix 5B

We refer to your letter dated 16 February 2011 in regard to Acclaim Exploration NL's ("the Company") Appendix 5B for the period ended 31 December 2010 and comment as follows:

1. At 31 December 2010 the Company had cash of \$100,000, short term receivables of \$2.1 million and well progressed plans for a capital raising. The Company anticipates being in a position to make an announcement on its capital raising initiatives shortly.

As such, the Company is of the opinion that it has sufficient cash and other sources of funds to fund its ongoing activities.

2. The Company expects to continue to have future negative cash flows for the foreseeable future as is normal for a resource company conducting exploration activities. As outlined in 1. above the Company has sufficient financial resources to fund its current level of activities, inclusive of the raising of additional capital.

The Company continues to monitor its cash and funding requirements.

3. With the balance of cash and other financial resources available as detailed in 1. above, the Company is of the opinion that it is in a position to continue to meet its business objectives and to fund its minimum expenditure commitments. As part of its internal processes, the Company continually reviews its expenditure commitments and in the event that additional funds are required, the Company will actively pursue further fund raising initiatives.
4. The Company is in compliance with the listing rules, and in particular, listing rule 3.1.
5. The Company is of the opinion that it is in compliance with listing rule 12.2, for the reasons as outlined above, and further that the Company:
 - (a) has sufficient financial resources in cash and receivables to meet its current activities;
 - (b) assets are unencumbered;
 - (c) has reasonable expectation that it will be able to fund its planned future activities; and

(d) will pursue access to further funding, should there be a requirement.

Yours faithfully

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line extending to the right.

Anthony Hamilton
Chairman



ASX Compliance Pty Limited
 ABN 26 087 780 489
 2 The Esplanade
 Perth WA 6000

GPO Box D187
 Perth WA 6840

Telephone 61 (08) 9224 0003
 Facsimile 61 (08) 9221 2020
 Internet <http://www.asx.com.au>

16 February 2011

Mr Neville Bassett
 Company Secretary
 Acclaim Exploration NL
 1186 Hay Street
 WEST PERTH WA 6005

By email to: njb@westarcapital.com.au

Dear Neville

Acclaim Exploration NL (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 31 December 2010 released to ASX Limited ("ASX") on 31 January 2011, (the "Appendix 5B").

ASX notes that the Company has reported the following.

1. Receipts from product sales and debtors of \$0.
2. Net negative operating cash flows for the quarter of \$1,580,000.
3. Cash at end of quarter of \$100,000.
4. Estimated cash outflows for the next quarter of \$460,000.

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to expend cash as indicated by the Appendix 5B, the Company will only have sufficient cash to fund its activities for the next quarter. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?

5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on **facsimile number (08) 9221 2020** or **by email to jenny.cutri@asx.com.au**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **3.00 p.m. W.S.T. on Friday, 18 February 2011**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries, please do not hesitate to contact me on 9224 0003.

Yours sincerely



Jenny Cutri
Assistant Manager, Listings (Perth)