



Quarterly Activities Report

June 2011

Highlights

- **Phosphate Exploration Drill Programs Finalised**
- **Appointment of Managing Director**
- **Completion of \$3.2 million Placement**
- **Finalising \$2.49 million Rights Issue**

The June 2011 quarter saw NuPower focus exploration efforts on our portfolio of phosphate projects at Arganara, Lucy Creek and Warrabri in central Australia. All necessary clearance applications were submitted to relevant authorities to enable commencement of exploration drilling in the upcoming quarter.

The quarter was a very busy period on the corporate level. Mr Andrew Johnstone was appointed as Managing Director of the company. His experience greatly adds to the skills with the company.

NuPower commenced a capital raising program comprising a placement to professional and sophisticated investors, raising \$3.2 million before costs.

A 1 for 4 non-renounceable rights issue was also undertaken over the quarter, to permit existing loyal shareholders of the company to participate in the capital raising program at the same price as the placement to professional or sophisticated investors. Eligible shareholders also had the opportunity to subscribe for additional shares above their entitlement at the same price.

Post the quarter end, acceptances for 54% of the rights issue were received from existing shareholders. Leaving a shortfall of 46% for placement to professional and sophisticated investors. In total, an additional \$2.49 million will be raised once placement of the shortfall shares is completed.

ASX Code

NUP

Capital Details

Shares on issue	413,801,729
Share Price	\$0.035
Market cap	\$13.2 mil

Directors

Executive Chairman

Mick Muir

Managing Director

Andrew Johnstone

Non Executive Directors

Ian Kowalick

Robert Owen

John Jackson

Company Secretary

Anthony Schildkraut

Projects

Lucy Creek/Arganara/Warrabri-

Phosphate

Aileron – Uranium/ REE's

Westmoreland:

Eva/Cobar II and Lagoon Creek-

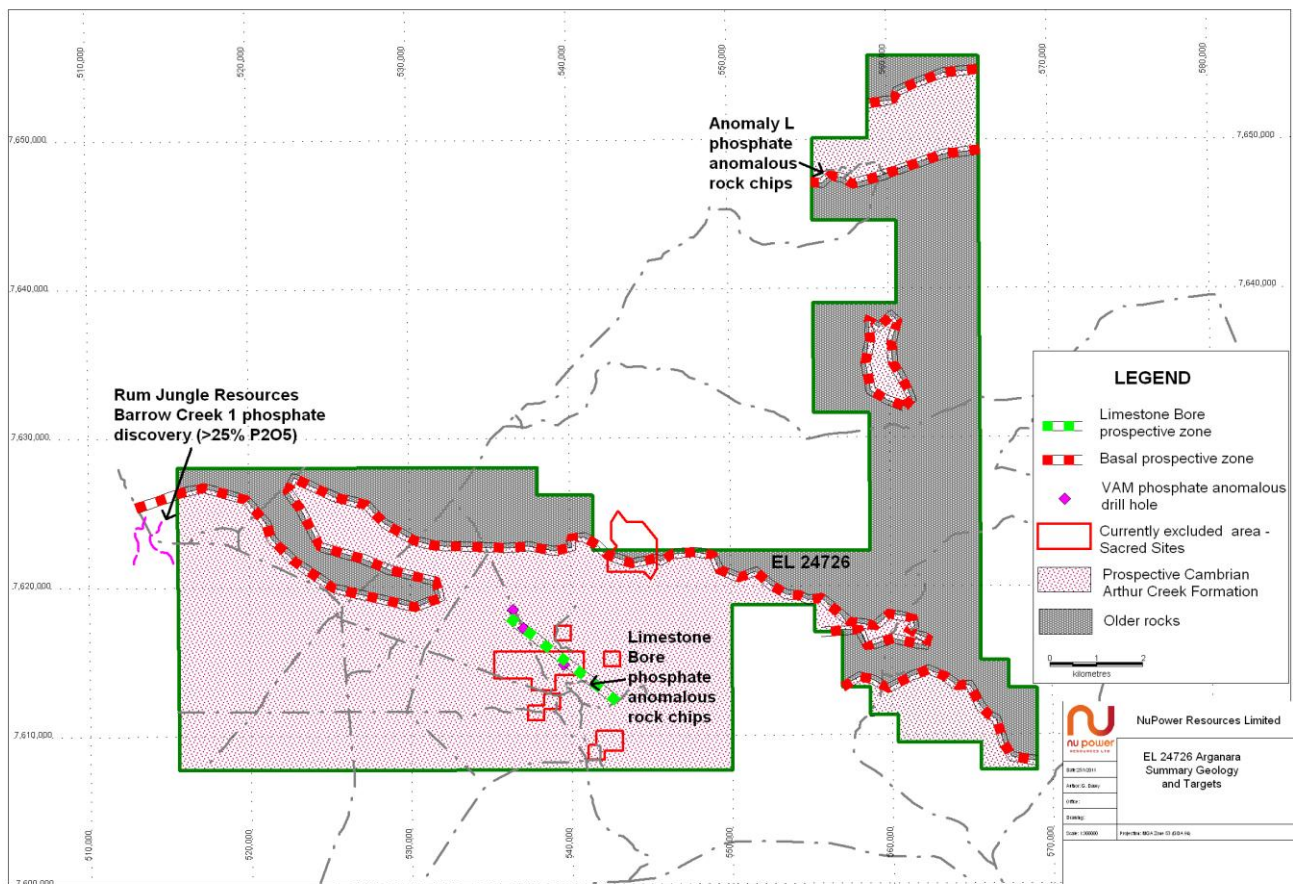
Uranium/Gold

NuPower Resources Limited is a Northern Territory based exploration company. Our vision is to become a successful exploration and mining company with superior cashflows.

ARGANARA – Phosphate

Over the quarter NuPower completed a program of additional mapping and sampling across all three prospects on the lease to determine the potential extent of the phosphate horizon. A drilling program for the targets identified has been defined. Clearances from traditional owners were sought and received from traditional owners in conjunction with the Central Land Council.

The company is currently finalising contracts for a 6000m exploration drilling program that will target areas of already known Phosphate mineralisation and new exploration targets. NuPower is looking forward to commencing the drill program in the coming weeks.



LUCY CREEK – Phosphate

Activities for the quarter centred on designing a focused infill drilling program to cover the Patanella Prospect (see figure below). NuPower previously completed an exploration drill program at Patanella in 2009. Re-assays of 1m splits of previously reported 5 meter composite samples from the 2009 RC drilling program has confirmed the existence of significant thicknesses of high grade phosphate mineralisation with the potential for Direct Shipping Ore (DSO).

The highest grade intersections include;

LCRC0047m @ 25.4% P2O5 from 31m including 4m @ 30.00% P2O5 from 32m

LCRC0285m @ 28.0% P2O5 from 37m including 4m @ 30.60% P2O5 from 37m

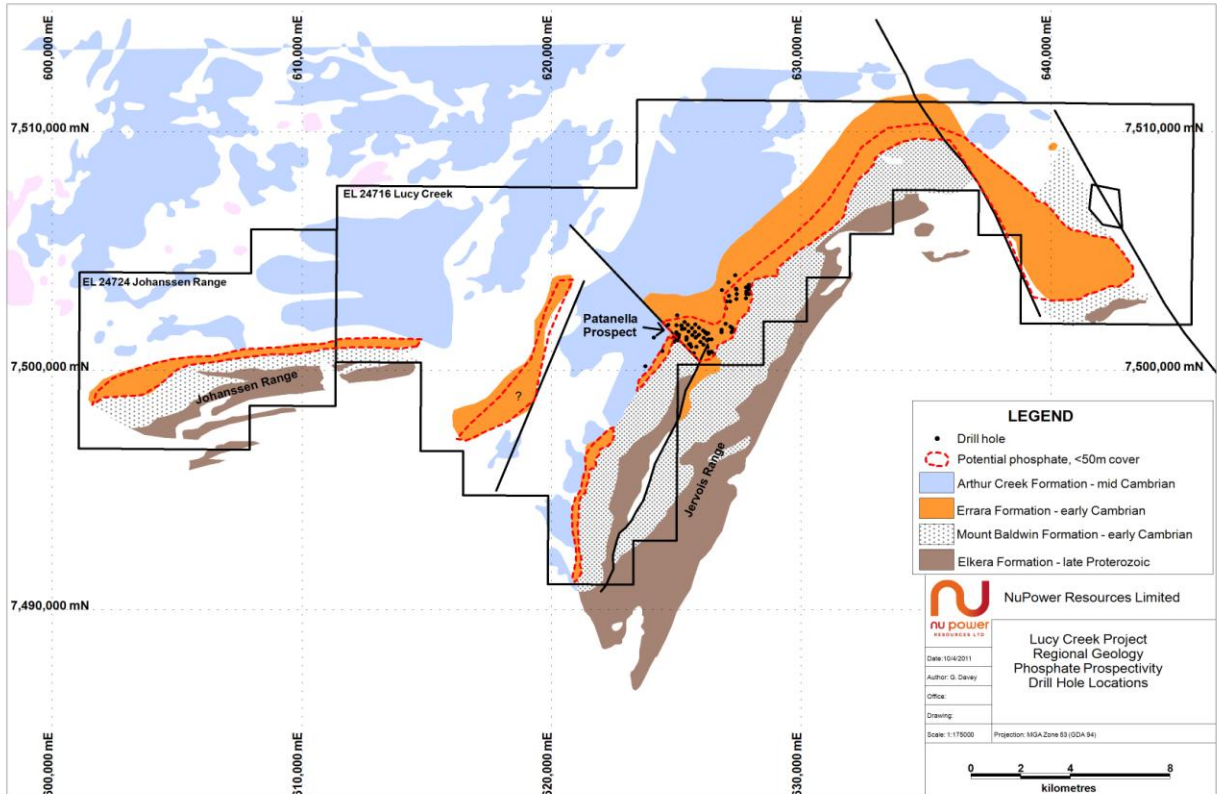
LCRC0624m @ 30.9% P2O5 from 8m

LCRC0637m @ 27.4% P2O5 from 17m including 4m @ 30.90% P2O5 from 19m

LCRC07412m @ 29.5% P2O5 from 18m including 8m @ 34.2% P2O5 from 22m

(Intersections calculated using a 15% with 2m internal dilution and 25% cut-off with no internal dilution).

The prospective horizon for phosphate is expected to extend more than 20km along strike from Patanella and is thought to present at the company's adjacent Johanssen Range lease.



WARRABRI – Phosphate

Over the quarter the company continued its reviews and preparation for a detailed exploration program to be undertaken at the conclusion of the Lucy Creek exploration outlined above. The historically reported presence of Phosphate at Warrabri close to the Stuart Highway and Darwin to Alice Springs rail line gives this project potentially a unique logistical advantage over existing Phosphate projects on the region.

STRANGWAYS – Rear Earth Elements (REE's)

A number of rock chip samples were collected and dispatched for analysis including mineralogy in Western Australia. Results are expected in the following quarter.

AILERON PROJECT AREAS – Channel Uranium

Review of water sampling results along with ground survey results continued over the quarter.

WESTMORELAND PROJECT – Uranium

EVA Mining Lease

Environmental monitoring reports were prepared over the quarter and submitted to the Northern Territory Department for primary Industry Fishing and Mining.

Lagoon Creek JV – NUP 50%

Over the quarter the joint venture manager commissioned a conceptual target report to both review the exploration results received to date and identify new targets for the coming field season. A Joint Venture meeting to finalise the work program for 2011 is currently being scheduled.

CORPORATE

The 2011 June quarter saw the appointment of Mr. Andrew Johnstone as Managing Director of the company. Mr. Johnstone is a geoscientist with finance training and has experience operating in the Northern Territory and the industrial minerals sector. His appointment will add significant skills to the company.

In May, NuPower mandated Blackswan Equities Limited (“Blackswan”) as lead manager to undertake a placement of 100 million fully paid ordinary shares in the company at 3.2 cents per share to sophisticated and professional investors. The placement was successfully completed and raised \$3.2 million before issue costs. The second tranche of this capital raising received shareholder approval at a general meeting of shareholders held on 8 June 2011.

Complimentary to the placement, NuPower offered a non renounceable pro rata entitlements offer to eligible shareholders to subscribe for new shares at 3.2 cents, the same price as the placement. The new shares were issued subsequent to the quarter end. Of the 77.8 million shares available for subscription

by existing NuPower shareholders applications were received for 42.34 million shares raising an additional \$1.35 million before costs. The company is currently finalizing the placement of the shortfall shares under the offer to sophisticated and professional investors. Demand for these shares has been strong and your directors currently envisage finalising their placement shortly.



Andrew Johnstone
Managing Director

The information in this release relates to exploration results and geological interpretation by Mr Warrick Rafferty (MSc). Mr Rafferty is a Member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Society of Economic Geology and has sufficient experience to qualify as a Competent Person as defined in the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC CODE) for reporting exploration results. Mr Rafferty consents to the inclusion of the data in the form and context in which it appears.

This release contains forward-looking statements. The actual results could differ materially from a conclusion, forecast or projection in the forward-looking information. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information.