



NuPower Resources Limited

ABN 91 120 787 859

Non Renounceable Rights Issue Prospectus

23 October 2012

For a pro-rata non-renounceable rights issue by NuPower Resources Limited (“NuPower”) to Eligible Shareholders, of 1 New Share for every 4 Shares held at 5.00 pm (Sydney time) on the record date of 7 November 2012, at an issue price of 1.6 cents per New Share to raise approximately \$2,047,292 before expenses.

Eligible Shareholders may apply for New Shares in excess of their full entitlement.

This offer is not underwritten.

CLOSING DATE: 5.00pm (Sydney time) on 27 November 2012 (or such later date as the Directors, in their absolute discretion and subject to compliance with the Corporations Act and Listing Rules, may determine). Valid acceptances must be received prior to this time.

An investment in the securities offered by this Prospectus should be considered as speculative.

This Prospectus is not for general circulation or distribution, and has or will be issued, circulated and/or distributed only to Eligible Shareholders. The offer to participate in the Rights Issue is made personally to Eligible Shareholders to whom the Prospectus has been issued, distributed or circulated.

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents, or are in doubt as to the course that you should follow, you should consult your stockbroker or professional advisor.

Important Information

Important notice

You should read this entire Prospectus carefully. It is important that you consider the risk factors (see Section 6) that could affect NuPower's financial performance, before deciding on your course of action.

This Prospectus is dated 23 October 2012. A copy of this Prospectus was lodged with ASIC on 23 October 2012. No New Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. New Shares pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

Applications for New Shares offered pursuant to this Prospectus may only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus. The Entitlement and Acceptance Form sets out an Eligible Shareholders' Entitlement to participate in the Offer. Eligible Shareholders who do not take up their Entitlement will have their existing interest in NuPower diluted. Please refer to Section 3 for details of how to accept the Offer. NuPower will apply for the New Shares offered pursuant to this Prospectus to be listed on the ASX.

NuPower has not authorised any person to give information, or to make any representation in connection with this Prospectus which is not contained in the Prospectus or is inconsistent with it. Any information or representation not so contained, or inconsistent with the information in this Prospectus, may not be relied on as having been authorised by NuPower in connection with this Prospectus.

Some words in the Prospectus have defined meanings. The definitions appear in Section 10 at the end of this Prospectus. References to dollars are in Australian dollars unless otherwise indicated.

This Prospectus contains an offer to Eligible Shareholders in Australia or in New Zealand of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. In making representations in this Prospectus' regard has been had to the fact that NuPower is a disclosing entity for the purposes of the Corporations Act, and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Please refer to Section 1.17 for further information concerning the nature of this Prospectus.

Neither ASIC nor the ASX take any responsibility for the contents of this Prospectus, or the merits of the investment to which this Prospectus relates.

Foreign Shareholders and Foreign jurisdictions

The Offer to New Zealand investors pursuant to this Prospectus are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the *Corporations Act* and the *Corporations Regulations 2001* (Cth). In New Zealand, this is Part 5 of the *Securities Act 1978*, *Securities Regulations 2009* and the *Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008*.

The Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. The Australian *Corporations Act* and *Corporations Regulations 2001* (Cth) set out how the Offer must be made. There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the Shares is not New Zealand dollars. The value of the Shares will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the Shares to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

The Company will apply to the ASX for quotation of the New Shares offered under this Prospectus. If quotation is granted, the New Shares offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the New Shares through that market, you will have to make arrangements for a participant in that market to sell the New Shares on your behalf. As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

The Company is required under Part 1 of the *Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008* to provide an Eligible Shareholder with copies of the Company's Constitution on request and free of charge.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on, and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer or invitation.

Neither this document nor the New Shares the subject of the Offer have been, nor will be, registered under the United States Securities Act of 1933, as amended to under the securities legislation of any state of the United States of America, or any applicable securities laws of a country of jurisdiction outside of Australia and New Zealand. Accordingly, subject to certain exceptions, the New Shares the subject of the Offer may not, directly or indirectly, be offered or sold within a country or jurisdiction outside of Australia and New Zealand or to or for the account or benefit of any national resident or citizen of, or any person located in a country or jurisdiction outside of Australia and New Zealand.

Future Performance

Except as required by law, and only then to the extent required, neither NuPower nor any other person guarantees the future performance of NuPower or any return on any investment made pursuant to this Prospectus. Any investment in the New Shares should be considered as speculative.

Chairman's letter

23 October 2012

Dear Shareholder,

On behalf of the Board of NuPower, I would like to invite you to participate in the Company's capital raising, by way of a shareholder's Rights Issue. Details of the offer and your entitlement are set out in this Prospectus and I urge you to read the document carefully and give the offer your serious consideration.

You will be aware that this capital raising follows a recent placement to "sophisticated investors" undertaken by your Company (**Placement**). The Placement of 62.5 million Shares at an issue price of \$0.016 per Share raised \$1 million and was completed utilising the Company's 15% placement capacity. This Prospectus seeks to offer Eligible Shareholders the ability to subscribe for Shares at the same price as the recent Placement. It will raise up to approximately \$2 Million.

NuPower proposes to utilise the funds raised through the Rights Issue to progress geological and metallurgical assessment of the projects outlined in the body of this Prospectus. Shareholders will be aware that the Company recently announced a maiden JORC compliant **inferred resource of 310 million tonnes grading 15% P₂O₅ (10% Cut off)** at its wholly owned Arganara project on the western edge of the Georgina basin in the Northern Territory. The project is well located with relatively **easy access to existing road and rail transport routes to market**, which are not constrained by capacity concerns. Arganara also presents significant scope to **delineate additional resources** further east along the **existing 27 kilometres of identified mineralisation** on the lease.

In addition to Arganara, NuPower has adjacent prospective Phosphate projects at Lucy Creek, Warrabri and the Barra Joint Venture area. The western edge of the Georgina basin is now recognised as a significant phosphate region.

Food security is an international issue, receiving a great deal of attention from both government and non government agencies. Significantly increasing populations are placing supply side pressure on world agricultural output. Continued socio-economic development of emerging economies is increasing the demand for protein in the diet of a larger proportion of the global population. Phosphate is an essential input to fertiliser products used to increase agricultural crop yields that are required to meet the forecast demand for food. Australia is well placed to develop its phosphate industry to meet the growing demand in the Asia-Pacific region.

Your Directors believe this firmly places your Company as one of the most **significant Phosphate investment opportunities in Australia**. As such, Shareholders will be asked to approve a proposed name change for the company to **Central Australian Phosphate Limited** at the upcoming annual general meeting to highlight the Company's main focus.

The highlights of this Rights Issue are:

- Eligible Shareholders will be able to subscribe for one New Share for each four Shares held on the record date of 7 November 2012.
- The issue price of each New Share will be 1.6 cents per Share (the same price as the Placement).
- The issue will not be renounceable. If you do not take up your Entitlement, NuPower may place your Entitlement in accordance with this Prospectus.
- Eligible Shareholders who take up their full Entitlement may apply for additional New Shares that may become available if there is a shortfall in New Shares applied for.

- NuPower will be able to place the shortfall at not less than the issue price of 1.6 cents per New Share;
- The Rights Issue is not underwritten.

Your Board of Directors recommends this Rights Issue to you in the belief that the program outlined in this document will deliver shareholder value in the near and medium term.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Owen', is centered on the page. The signature is fluid and cursive, with a large initial 'R'.

Robert Owen
Non Executive Chairman

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Summary of Important Dates

The indicative timetable for the Offer is as follows:

EVENT	DATE
Announcement of Rights Issue	22 October 2012
Date of Lodgement of Prospectus with ASIC	23 October 2012
Lodgement of Prospectus and Appendix 3B with the ASX	23 October 2012
Notice sent to Shareholders containing Appendix 3B details, and indicative timetable	24 October 2012
“Ex” Date - the date on which Shares commence trading without the Entitlement to participate in the Offer.	31 October 2012
Rights Issue Record Date to determine Entitlements	7 November 2012
Prospectus for the Rights Issue with the Entitlement and Acceptance Form sent to Eligible Shareholders	13 November 2012
Opening Date	13 November 2012
Closing Date for acceptances and receipt of applications under the Rights Issue	27 November 2012
Commencement of deferred settlement period. New Shares commence trading on a deferred settlement basis	28 November 2012
Shortfall notification to the ASX	30 November 2012
Allotment of New Shares and despatch of holding statements for New Shares. Deferred settlement period ends.	3 December 2012
Date of quotation of New Shares and normal ASX trading T+3 for New Shares issued under the Rights Issue is expected to commence	4 December 2012
Closing Date for acceptance and receipt of applications for Shortfall Shares	22 January 2013
Last date for the issue of New Shares comprised of Shortfall Shares	23 January 2013

- 1) The above dates are indicative only and may change without notice, subject to the Listing Rules.
- 2) Subject to the Listing Rules the Directors reserve the right to either extend the Closing Date of the Offer (by giving at least six Business Days notice to the ASX prior to the Closing Date) at their discretion, or place or arrange to place the Shortfall Shares. An extension of the Offer will have the consequential effect on the anticipated date of issue and normal trading of the New Shares issued under this Prospectus.

Definitions

Throughout this Prospectus, various words and phrases have been capitalised and defined, rather than used in full on each occasion. The definitions of these capitalised words are set out in Section 10.

1. Details of the Offer

1.1 Offer of New Shares and Entitlement

This Prospectus invites Eligible Shareholders to participate in a pro-rata non-renounceable Rights Issue on the basis of 1 New Share for every 4 Shares held at 5.00 pm (Sydney time) on the Record Date of 7 November 2012, at an issue price of 1.6 cents per New Share (the “Offer”).

As at the date of this Prospectus, the Company has 511,823,104 Shares on issue. The number of New Shares available to be issued under the Rights Issue is 127,955,776.

If all of the Eligible Shareholders take up their Entitlements in full the Rights Issue will raise approximately \$2.04 million, before expenses of the Rights Issue.

Option holders will not be entitled to participate in the Offer. However, they may exercise their Options prior to the Record Date if they wish to participate in the Offer.

The Company currently has 5,000,000 Options on issue, each with an exercise price of 3.5 cents and an expiry date of 15 June 2013. In the event all of these Options are exercised and the underlying Shares are issued on or before the Record Date, a further 1,250,000 New Shares will be offered pursuant to this Prospectus to raise up to a further \$20,000.

The Rights Issue will open for receipt of acceptance at 9.00 am (Sydney time) on 13 November 2012 and will close at 5.00pm (Sydney time) on 27 November 2012, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules may determine. **You should allow sufficient time to ensure that your Entitlement and Acceptance Form reaches the Share Registry by the specified time.**

The Rights Issue is being made on a non renounceable basis, meaning that Entitlements may not be transferred or sold.

1.2 What is my Entitlement?

The number of New Shares to which you are entitled is shown in the accompanying Entitlement and Acceptance Form. In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number and for this purpose holdings in the same name will be aggregated for calculation of Entitlements.

You may elect:

- to subscribe for all of your Entitlement. Applications exceeding your Entitlement will be deemed to be for your maximum Entitlement and any surplus Application Monies will be returned, without interest unless you have applied for Shortfall Shares;
- to subscribe for Shortfall Shares, if you subscribe for your maximum Entitlement;
- to subscribe for part of your Entitlement – any part of your Entitlement not taken up will lapse and form part of the Shortfall Shares; or
- to not take up any of your Entitlement – you are not required to take any action and your Entitlement will lapse and be dealt with in accordance with Section 1.3.

Please see Section 3 for more information about subscribing for all, part or none of your Entitlement and the Entitlement and Acceptance Form for instructions on how to complete the Entitlement and Acceptance Form to fulfil your above election.

1.3 Shortfall Shares

In addition to being able to apply for New Shares in the manner described herein, Eligible Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for New Shares that are not subscribed for in the Offer ("**Shortfall Shares**"), subject to the limitations set out in Section 4. The offer of Shortfall Shares is a separate offer made pursuant to this prospectus and will remain open after the Closing Date.

Non-Shareholder applicants may also apply for Shortfall Shares.

Further details on the offer of Shortfall Shares is set out in Section 4.

The Company will ensure that no person, entity or Shareholder will, through the allocation of Shortfall Shares, acquire a relevant interest in Shares of, or (in the case of existing Shareholders) increase their holding to, an amount in excess of 19.9% of all of the Shares on issue following completion of the Offer.

1.4 Use of funds

The purpose of the Offer is to raise up to \$2,047,292.

It is intended that the gross proceeds of the Rights Issue will be applied as set out below for the period ending 31 December 2013:

Table 1: Use of Funds	Refer to Section	A\$	%
Expenses associated with this capital raising ¹		150,000	7.33
Working capital & corporate and administration expenses		507,292	24.78
Arganara phosphate exploration expenditure	Section 2.2.1	900,000	43.96
Lucy Creek phosphate exploration expenditure	Section 2.2.2	140,000	6.84
Warrabri phosphate exploration expenditure	Section 2.2.3	130,000	6.34
Additional exploration on NuPower's existing tenements	Section 2.4	70,000	3.42
Lagoon Creek Joint Venture expenditure	Section 2.4	150,000	7.33
TOTAL		2,047,292	100

¹ Please refer to section 7.3 of this Prospectus for further details relating to the estimated expenses of the Offer.

See Section 2 for a more detailed description of NuPower's key projects and exploration programs.

There is no minimum subscription under the Offer and the Offer is not underwritten. If less than 127,955,776 New Shares are issued pursuant to this offer, then NuPower will raise less than \$2.04 million. In this case, it is intended that the gross proceeds of the issue will be applied as set out below.

Table 2: Use of Funds if less than full amount raised	A\$
Expenses associated with this capital raising	The first \$150,000
Arganara phosphate exploration expenditure	The next \$450,000
Lucy Creek phosphate exploration expenditure	The next \$70,000
Warrabri phosphate exploration expenditure	The next \$60,000
Lagoon Creek Joint Venture expenditure	The next \$50,000
Additional exploration on NuPower's existing tenements	The next \$50,000
Pro rata across all projects and corporate administration expenses	The next \$1,217,292

The proposed use of funds outlined above is a statement of current intentions as at the date of this Prospectus. Intervening events and new circumstances have the potential to ultimately affect the way funds are expended. The Directors reserve the right to alter the way the funds are expended accordingly. Any additional funds raised from the participation of Eligible Shareholders in the Offer following the exercise of their Options prior to the Record Date will be applied towards the Company's general working capital and administration expenses.

1.5 Opening Date and Closing Date

The Rights Issue will open at 9.00am (Sydney time) on 13 November 2012 ("**Opening Date**") and close at 5.00pm (Sydney time) on 27 November 2012 (or such later dates as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine) ("**Closing Date**").

Completed Entitlement and Acceptance Forms must be received by the Share Registry by the Closing Date, together with payment, in Australian dollars, for the amount of the application.

1.6 Who is entitled to participate in this Offer?

The New Shares being offered under this Prospectus are being offered to Eligible Shareholders, being Shareholders with a registered address in Australia or New Zealand on the Record Date.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand).

Members of the public in Australia and New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

1.7 Offer not made to Ineligible Foreign Shareholders

NuPower believes it is unreasonable to extend the Offer to Shareholders outside of Australia and New Zealand (**Ineligible Foreign Shareholders**). NuPower has formed this view having considered:

- (a) the number of Shareholders outside of Australia and New Zealand;
- (b) the number and value of the securities that would be offered to those Shareholders; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, the Offer under this Prospectus is not made to Ineligible Foreign Shareholders.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Shareholders holding Shares on behalf of persons who are resident outside of Australia or New Zealand are responsible for ensuring that subscribing for the New Shares under the Rights Issue does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will constitute a representation that there has been no breach of such regulations. Where the Prospectus has been received by a Shareholder domiciled in a country outside Australia or New Zealand and where that country's securities code or legislation prohibits or restricts in any way the making of the Offer, then the Prospectus and accompanying Entitlement and Acceptance Form are provided for information purposes only.

All Entitlements that would have been offered to Ineligible Foreign Shareholders will be allowed to lapse and they will form part of the Shortfall Shares.

1.8 Issue and Allotment of New Shares

Until the issue and allotment of the New Shares, the Application Monies will be held on trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the Application Monies will be for the benefit of NuPower and will be held by it irrespective of whether issue and allotment of New Shares takes place. No allotment of New Shares will take place until the proceeds of the Rights Issue have been received. NuPower expects that the New Shares will be issued no later than 3 December 2012.

The New Shares will be issued fully paid and, from the date of issue, will rank equally in all respects with existing Shares. By returning your Entitlement and Acceptance Form, you agree to comply with the NuPower Constitution in respect of New Shares issued to you.

1.9 ASX Quotation

NuPower will make an application for quotation to the ASX within seven (7) days following the date of this Prospectus for official quotation of the New Shares.

Official quotation on the ASX, if granted, of the New Shares will commence as soon as practicable after statements of holdings of the New Shares are despatched.

If approval for official quotation is not granted by ASX within three months after the date of this Prospectus, NuPower will not allot or issue any New Shares and will repay all Application Monies (where applicable) within the time prescribed under the Corporations Act, without interest.

A decision by ASX to grant quotation of the New Shares on ASX is not to be taken in any way as an indication of ASX's views as to the merits of NuPower, the Offer or the New Shares.

1.10 Risks

It is important that Eligible Shareholders understand the risks associated with accepting or not accepting their Entitlements.

If you elect not to accept your Entitlement in full under this Prospectus, your shareholding in NuPower may be diluted. You should also be aware that subscribing for New Shares involves a number of risks. Section 6 sets the key risk factors the Directors consider that you should consider in determining whether to invest in the Company.

Please carefully consider whether to accept your Entitlement and, if you are in doubt as to whether to accept, you should consult your independent professional investment advisor.

1.11 Market prices of NuPower Shares on ASX

A summary of the sale prices of NuPower Shares on ASX during the last 3 months until the last trading day on ASX immediately prior to lodgement of this Prospectus with ASIC is set out below:

Table 3: NuPower Share Price History	High (\$)	Low (\$)	Volume weighted average price (\$)
Three Months	\$0.032	\$0.015	\$0.022

The last market sale price of Shares on 22 October 2012 (which was the last day of trading before lodgement of the Prospectus with ASIC) was \$0.017

1.12 Brokerage

No brokerage or stamp duty will be payable by you in respect of a subscription for New Shares under your Entitlement.

The Company reserves the right to pay a commission of up to 2% (exclusive of GST) of amounts subscribed through any licensed securities dealers or Australian financial services licensees in respect of any valid Shortfall Application Form lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee.

Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

1.13 Tax Implications

NuPower makes no representation and provides no advice in relation to the tax consequences for any Shareholder taking up their Entitlement under the Offer. Eligible Shareholders should seek independent professional taxation advice about the tax consequences of taking up the Entitlement.

1.14 CHESS

NuPower will not be issuing share certificates. NuPower will apply to the ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by NuPower. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that NuPower will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (HIN) or Shareholder Reference Number (SRN) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in NuPower during the preceding month.

1.15 Enquiries

Any question related to the Offer should be directed to the Company Secretary, Anthony Schildkraut on (02) 9262 4235.

1.16 Corporate governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The board of Directors is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent that they are applicable to the Company, the board of Directors has followed the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* where the board of Directors has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has disclosed the reasons for the departure in its Corporate Governance Statement for the financial year ended 30 June 2012. This can be found in the Annual Financial Report for the Company for the financial year ended 30 June 2012.

A summary of the Company's corporate governance policies and procedures is available on the Company's website at www.nupowerresources.com.au.

1.17 Legal framework and application of the Corporations Act to this Prospectus

For the purpose of Part 1.2A of the Corporations Act, NuPower is a "disclosing entity". NuPower is subject to the continuous and periodic reporting and disclosure obligations as a disclosing entity. Broadly, these obligations require:

- the preparation of yearly and half yearly financial statements, and a report on the operations of NuPower during the relevant accounting period together with an audit or review report by NuPower's auditor; and
- continuous and immediate notification to the ASX of any information concerning NuPower which it possesses or becomes aware of and which a reasonable person would expect to have a material effect on the price or value of the Shares, subject to certain exceptions.

As a "disclosing entity", the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to disclosure documents for an offer of securities which are quoted enhanced disclosure ("**ED**") securities and the securities are in a class of securities that were quoted ED securities at all times in the 3 months before the issue of this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

The New Shares to be issued under this Prospectus are in a class of securities that were quoted on the stock market of the ASX at all times in the 3 months before the issue of this Prospectus.

The Company will be making an application to ASX for quotation and listing on the ASX of the New Shares to be issued under this Prospectus.

NuPower will provide a copy of each of the following documents, free of charge, to any person who asks for it during the period from the date of this Prospectus until the Closing Date:

- the annual financial report for the year ending 30 June 2012; (being NuPower's most recent full year financial report lodged with ASIC before the date of this Prospectus); and
- the following continuous disclosure notices given by NuPower after the lodgement of the annual financial report for the year ending 30 June 2012 and before the lodgement of the copy of this Prospectus with ASIC:

Table 4: Continuous Disclosure Notices

Date	Headline
22/10/2012	Shareholder Entitlement issue
22/10/2012	Appendix 3b

All requests for copies of the above documents should be addressed to the Company Secretary. The above information may also be obtained from NuPower's website at www.nupowerresources.com.au.

1.18 No prospective financial forecasts

NuPower is an exploration company. Given the speculative nature of exploration, mineral development and production, there are significant uncertainties with forecasting future revenue. On this basis the Directors believe that reliable forecasts cannot be prepared and accordingly have not included forecasts in this Prospectus.

2. NUPOWER OPERATIONS AND PROJECTS

2.1 **BACKGROUND**

NuPower is a mineral exploration and development company that operates within the Northern Territory of Australia. Over the past 12 months NuPower has focused on the Arganara Phosphate Project where it has completed 3 drill programs and defined a maiden inferred JORC resource of 310mt @ 15% Phosphate P₂O₅ using a 10% P₂O₅ cut-off. The resource has numerous Direct Ship Ore (DSO) +30% P₂O₅ grade intersections. NuPower intends to continue to focus on the development of a simple DSO mining operation at Arganara with the aim of generating a revenue stream that will support further expansion and growth of both Arganara and NuPower's other Phosphate projects. The Arganara Resource is intersected by the Murray Downs road which is 130km from the Darwin to Adelaide rail line, at which point it is 1100km from Darwin.

In addition to the Arganara Inferred Resource, NuPower has also discovered a 27km long zone of phosphate mineralisation extending from the Arganara Resource to Limestone Bore to the east. Wide spaced fences of drill holes over the mineralised trend have returned numerous intersections above 20% P₂O₅ including some over 30% P₂O₅.

NuPower listed on the ASX in March 2007 and was initially focused on exploration for uranium. Exploration activities in 2009 resulted in the delineation of 1.43Mlbs of uranium at Eva in the North East of the Northern Territory. NuPower retains a number of uranium tenements in its portfolio. Ongoing joint venture exploration commitments on the Westmorland project will see a VTEM survey completed over the area in October 2012. The VTEM survey is a delayed joint venture survey that was commissioned and paid for in 2011.

NuPower's immediate goal is to focus on the significant Arganara Phosphate Resource with an aim to developing a low cost DSO mining operation. NuPower will also conduct low cost exploration for phosphate mineralisation at Lucy Creek, Warrabri and the tenement areas surrounding Arganara in 2012 and 2013.

The principal aim of the Rights Issue is to secure funding for the establishment of a mining lease over the Arganara Resource and general working capital purposes. Immediate development steps include diamond drilling and metallurgical testing of the phosphate cores, infill RC drilling, bulk sampling and various studies required for mining lease grant.

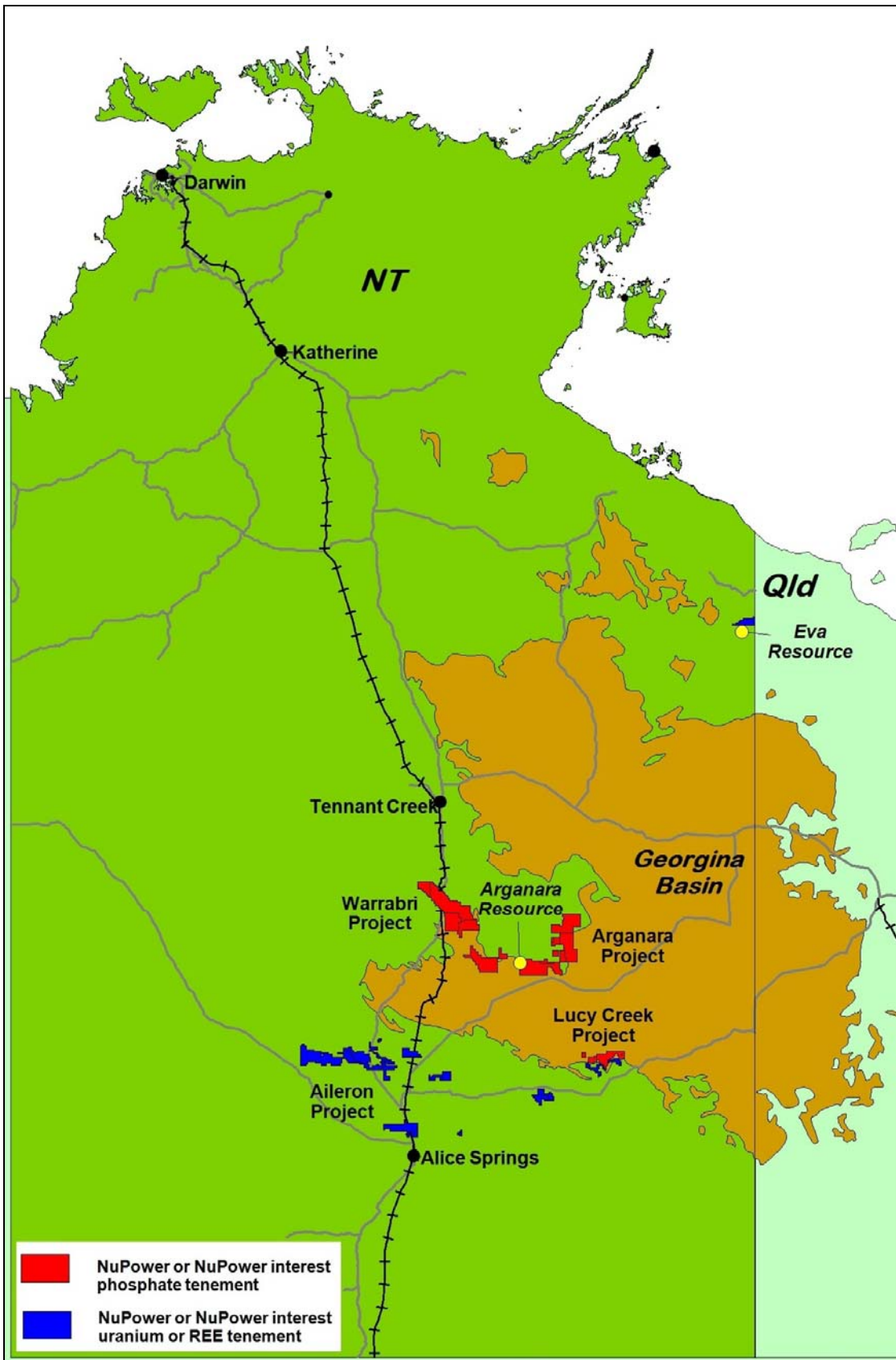


Figure 1: NuPower's Northern Territory Project Areas and Tenements, including locations of Arganara Phosphate Resource and Eva Uranium resource

2.2 NUPOWER PHOSPHATE PROJECTS

INTRODUCTION

NuPower has three 100% owned Phosphate Projects: Arganara, Lucy Creek and Warrabri, and is manager of the Fertoz Barra Phosphate Joint Venture (falls in Arganara Project). The most advanced project is Arganara where over the past 12 months NuPower has completed three RC drill programs and defined a JORC Inferred resource of: **310mt @ 15% Phosphate P₂O₅ (10% cut-off)**.

Logistics are an important element in any bulk commodity mining operation. Of the three projects Warrabri is best located and actually straddles the Stuart highway and the Darwin to Alice Spring rail line. Arganara is approximately 80km due east of the road and rail corridor while Lucy Creek is 250km from the corridor.

Arganara Project, a JORC Inferred Resource has been defined. The resource has numerous high grade 30% phosphate intersections which should support a DSO mining operation. A 27km mineralised corridor has also been discovered on the Arganara project with potential to host further high grade phosphate mineralisation.

Lucy Creek Project, is an advanced exploration stage project, where in 2009 Nupower completed a preliminary drill program and discovered very high grade phosphate +30% P₂O₅ in a number of drill holes. The near-surface phosphate mineralisation is of DSO grade. There is, 45km of unexplored host geology at Lucy Creek.

Warrabri Project, is the most preliminary of the three projects. Serious exploration is yet to take place. The project is conceptual, based on correct host geology and low grade phosphate mineralisation identified by the Northern Territory Geological Survey (NTGS) in a water bore at Wycliffe Well on the Stuart highway.

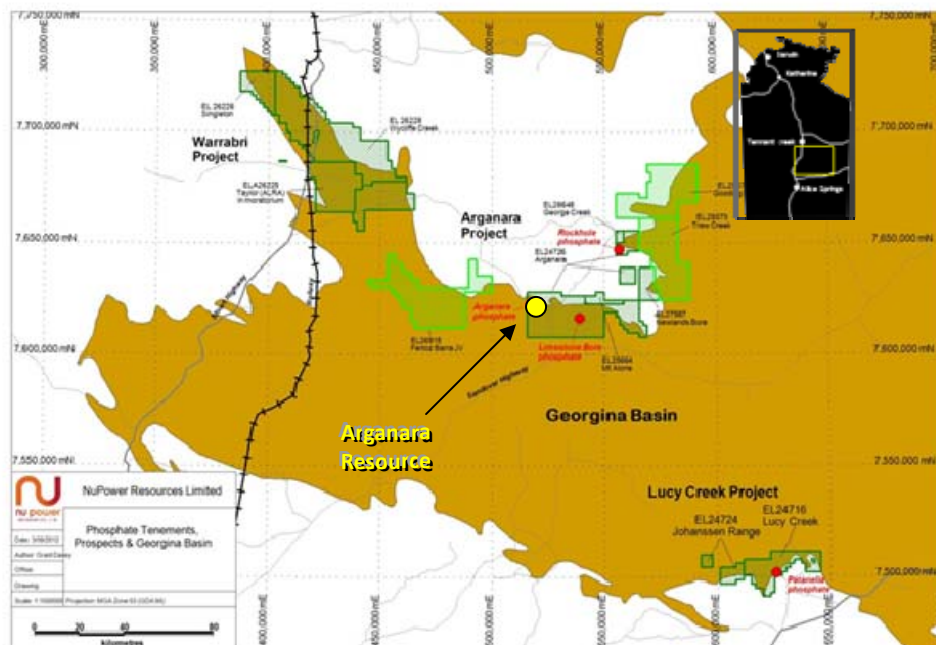


Figure 2: NuPower Central Australian Phosphate Projects: Arganara, Warrabri and Lucy Creek

REGIONAL GEOLOGY - PHOSPHATE

NuPower's Phosphate Projects are all located on the margin of and in the basal part of the Georgina Basin. All of Australia's major known phosphate resources are located within the Georgina basin, a large (325,000km²) extensive Cambrian sedimentary basin that occupies much of the central-eastern part of the Northern Territory and extends eastwards into Queensland as far as Mt Isa. Phosphorites were first recognised in the basin in the Late 1960 and early 1970's during BMR (Bureau of Mineral Resources) mapping.

The Directors believe the Georgina Basin is fast emerging as a world class sedimentary Phosphorite province. Recent discoveries in the Northern Territory have added to the already substantial phosphate resources defined and being mined on the Queensland side of the Georgina Basin at Phosphate Hill.

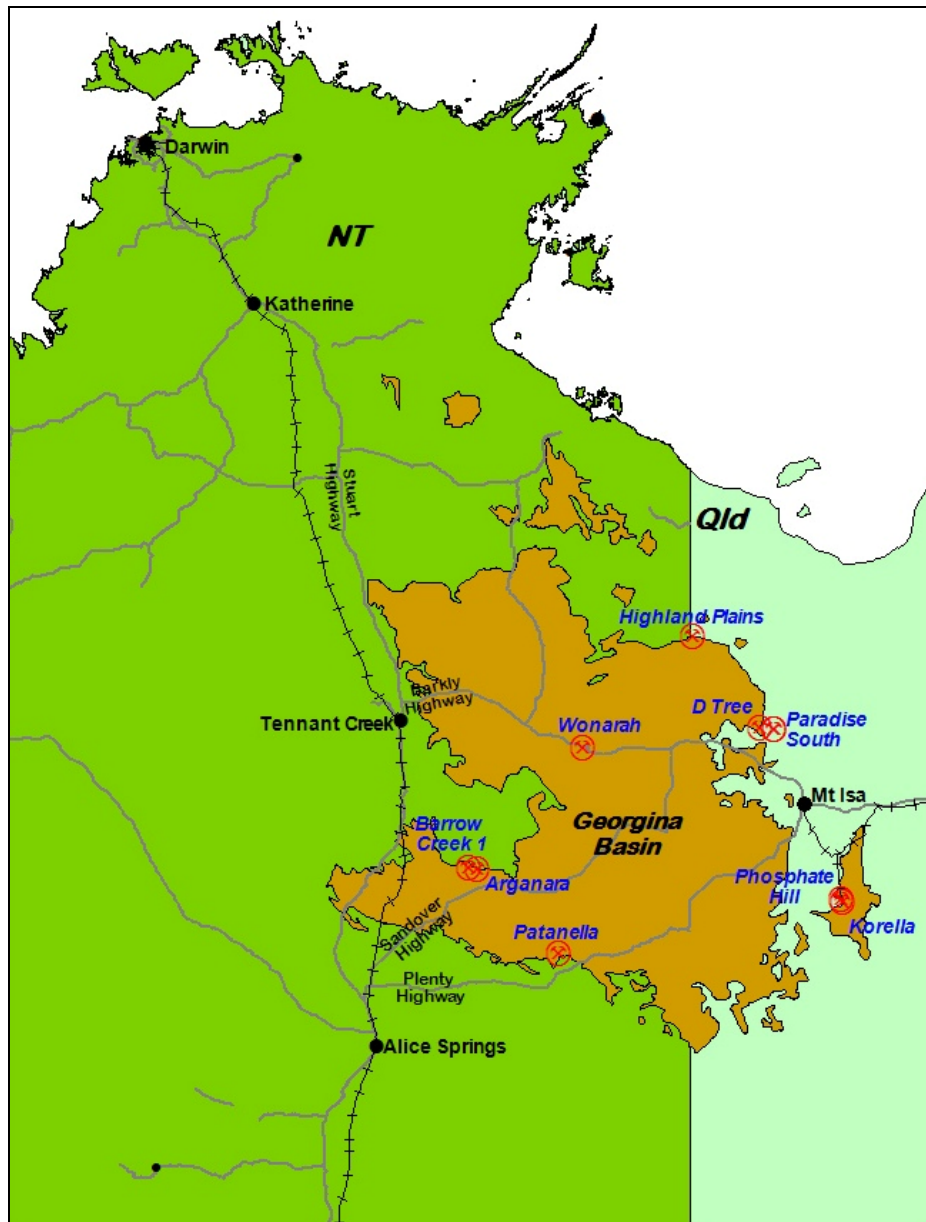


Figure 3: Major Phosphate occurrences of the Cambrian aged Georgina Basin

2.2.1 Arganara Phosphate Project

ARGANARA OVERVIEW

The Arganara Project is the most advanced phosphate project in the NuPower portfolio. NuPower has successfully defined a large phosphate Resource at Arganara from three limited drilling program over the past 12 months.

Arganara Inferred Resource: 310 million tonnes grading 15% P₂O₅ using a 10% P₂O₅ cut-off.

Additional exploration drilling to the east of the Arganara Prospect has also discovered high grade phosphate mineralisation over an area with a strike length of 27km. The Arganara Prospect Resource figure only covers approximately one quarter of the mineralised phosphate corridor.

Included within the Arganara JORC resource are assay results that indicate there is significant potential for ore of grade to be considered viable for direct shipping (P₂O₅ greater than 30%). The project has the benefit of close proximity to the Darwin/Alice Springs rail line which in turn connects to south, east and west rail links, South Australia, Western Australia and Victoria.

Initial whole rock geochemistry on phosphate mineralisation from the Arganara Resource has been completed and phase one metallurgical test-work has only just begun. Assessment of published metallurgical test results from nearby deposits of similar geological description indicate that Arganara ore should upgrade through basic screening.

TENEMENTS AND LOCATION

The project comprises 6 licences and one joint venture tenement, with a total area of 3,202 square kilometres.

ARGANARA PROJECT

Project/Tenement Name	EL Number	Registered Owner	Status	Area km ²
Arganara	EL24726	NuPower Resources Limited (100%)	Fully Granted	939.6
Mount Alone	EL25664	NuPower Resources Limited (100%)	Fully Granted	163.1
George Creek	EL28648	NuPower Resources Limited (100%)	Fully Granted	19.2
Newlands Bore	EL27987	NuPower Resources Limited (100%)	Fully Granted	111.9
Gooding Bore	EL29374	NuPower Resources Limited (100%)	Fully Granted	618.7
Trew Creek	EL29373	NuPower Resources Limited (100%)	Fully Granted	575.9
Barra JV	EL26915	Fertoz Limited (100%)	Fully Granted	774.0

Table 1: Summary of NuPower Phosphate Project Tenements

ARGANARA GEOGRAPHICAL LOCATION

The Arganara Project is located approximately 300 kilometres northeast of Alice Springs. Access from the south is via the sealed Stuart Highway from Alice Springs for approximately 70km, then eastwards on the Plenty Highway for 30km (all sealed roads) and then generally north eastwards on the unsealed Sandover Highway for approximately 220km to Ammaroo Station. Access to the centre of the project area is then a further 60km via the unsealed George Creek road from Ammaroo to Elkedra Station that bisects the license area.

All the Arganara Project tenements apart from the Barra Joint Venture are 100% owned by NuPower. When the Arganara Project tenements are combined with the Barra Joint Venture and the Warrabri

Project tenement, a large portion of the prospective Georgina Basin phosphate host stratigraphy across the area has been secured by NuPower.

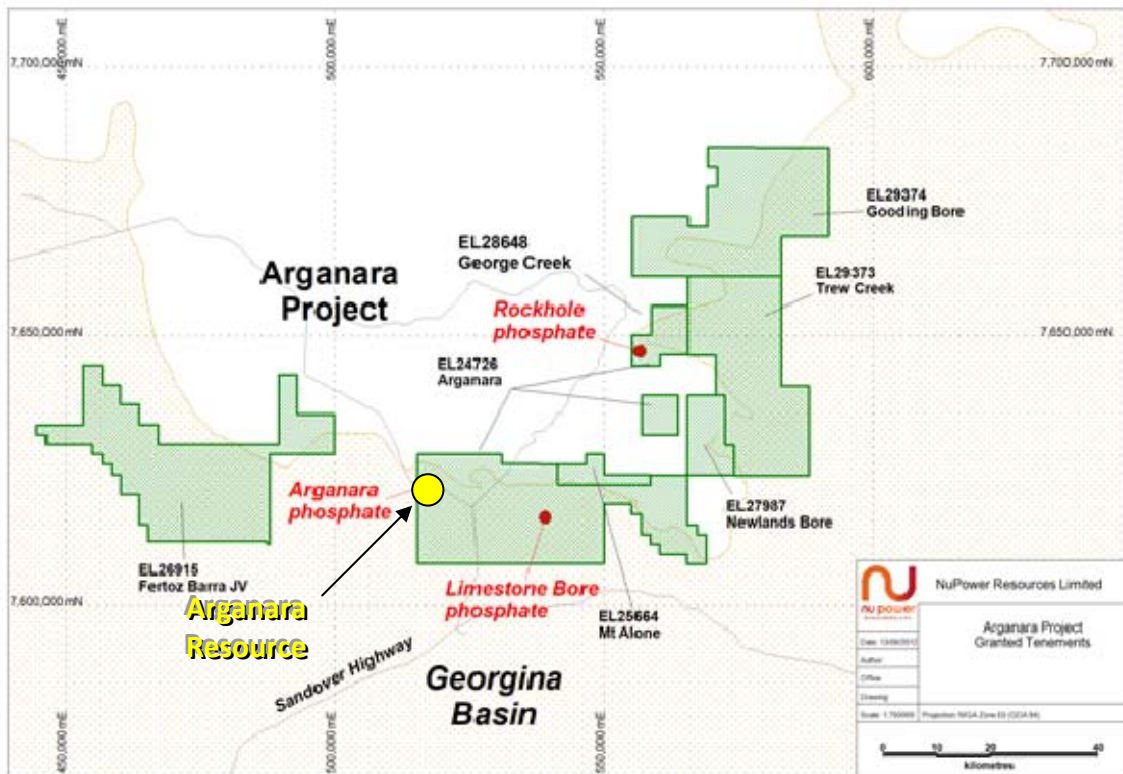


Figure 4: NuPower Arganara Phosphate Tenements over Georgina Basin polygon

ARGANARA GEOLOGY, PROJECT HISTORY

Phosphate was first discovered in the Arganara region in 1968 by explorers who drilled in the Limestone Bore area, 27km ESE of Arganara Prospect Resource, early results included 2.7m @ 21.8% P_2O_5 and 11m @ 14.8% P_2O_5 .

Field mapping and sampling was carried out by NuPower in 2008 and 2010 prior to the first drill programme in early September 2011. To the north of the Arganara licence, at Rockhole Bore (Anomaly L), NuPower has confirmed historical reports that phosphate mineralisation occurs in the area, with samples from the base of small outliers of the Arthur Creek Formation assaying 31.8% and 37.6% P_2O_5 . Further phosphate mineralisation was found a kilometre west of Anomaly L where 3 NuPower samples assayed in the range of 15.2- 27% P_2O_5 from a unit that appears to be up to 5m thick.

Phosphate mineralisation at Rockhole Bore occurs at the base of the Arthur Creek Formation, in the same stratigraphic position as the recently announced Arganara Resource.

NuPower has carried out a limited soil geochemistry survey at Rockhole Bore in 2012 with favourable results indicating phosphate bearing Arthur Creek formation extends away from the earlier discoveries in the area.

At Arganara, late Proterozoic-Cambrian conglomerates, sandstones and siltstones of the Andagera Formation are overlain by prospective phosphate bearing Early-Mid Cambrian Arthur Creek Formation consisting of calcareous, carbonaceous siltstones that are more phosphatic towards the base with interbedded limestone's, dolostones, chert and gypsum.



Figure 5: Drilling for Phosphate at Arganara 2011

WORK UNDER TAKEN BY NUPOWER

Over the last 11 months, NuPower has aggressively developed the Arganara Phosphate Project through 3 major drill campaigns designed to define a phosphate resource and test the potential of the interpreted Arthur Creek host stratigraphy extending from Arganara Prospect to Limestone Bore over an area with a strike length of 27km.

Year	RC Drilling, Arganara Deposit	RC Drilling, Regional
2011	220 holes, 7,141m	137 holes, 5,459m
2012	249 holes, 9,108m	
Total	469 holes, 16,249m	137 holes, 5,459m

Table2: Number of holes and meters of drilling completed at Arganara 2011 and 2012

In 2011 NuPower drilled 357 reverse circulation (RC) holes into the Arganara Prospect covering an area of 17.8km². Many of the holes intersected phosphate grades above 30%. In 2012 Nupower drilled a further 249 RC drill holes designed to both extend and infill the existing mineralised drill holes. Significant high grade phosphate mineralised intersections from the resource include:

- **ARC180: 2m @ 33.9% P₂O₅ from 17m**
- **ARC090: 2m @ 30.3% P₂O₅ from 12m**
- **ARC200: 3m @ 32.5% P₂O₅ from 26m**
- **ARC354: 2m @ 32.9% P₂O₅ from 24m**
- **ARC181: 2m @ 31.9% P₂O₅ from 16m**
- **ARC075: 2m @ 34.6% P₂O₅ from 22m**
- **ARC185: 2m @ 35.3% P₂O₅ from 35m**

Regional Exploration drilling was also conducted across an area up to 32km east of the Arganara resource towards Limestone Bore. This regional drilling defined a 27km corridor of phosphate mineralisation with numerous high grade intersections. The results indicate there is significant potential for additional resource tonnes across the 27km mineralised corridor (Figure 7)

- **ARC162: 1m @ 25.7% P₂O₅ from 22m**
- **ARC230: 1m @ 32.1% P₂O₅ from 20m**
- **ARC332: 1m @ 29.0% P₂O₅ from 35m**
- **ARC313: 3m @ 25,8% P₂O₅ from 36m**
- **ARC297: 2m @ 23.4% P₂O₅ from 36m**

NuPower utilised new technology during its 2011 drilling campaign in the form of hand held X Ray analysers (**XRF's**), which have the ability to accurately measure the amount of phosphate present in the material collected from drilling. The XRF units enabled accurate assessment of each drill hole and allowed instant refinement of drill patterns in real time without the weeks of delay associated with traditional lab geochemistry. The use of the XRF could also eventually be applied to mine site grade control to quickly define the 30% phosphate zones for mining. This would be a significant advantage for a DSO operation reliant on targeting only the high grade portions of the resource.

ARGANARA INFERRED JORC RESOURCE

The Arganara Inferred Resource was estimated by MPR Geological Consultants in August 2012. This is reported in accordance with the Joint Ore Reserves Committee Code (JORC) and is tabulated below. The estimates are based on Labrotory (ALS Brisbane) XRF assays from 387 RC drill holes for 14,480 metres of drilling. The majority of the resource area has been tested by 400 by 200 or 600 by 200 metre spaced drilling. A smaller area has been drilled at 200 by 200 metre spacing. The resource extends over an area approximately 5.8 km east-west by 5.4 km north-south (Figure 6) with an average thickness of 7 m. Resources were estimated by ordinary kriging of one metre down-hole composited grades within a mineralised domain capturing continuous zones of mineralisation grading above nominally 10% P₂O₅ and assume a density of 1.7 t/bcm.

Cut off P₂O₅ %	T Mil	P₂O₅ %	Al₂O₃ %	CaO %	Fe₂O₃ %	K₂O %	MgO %	MnO %	Na₂O %	SiO₂ %	TiO₂ %	U pp m	LOI %
5	360	14	7.4	19	5.8	1.6	0.80	0.18	0.17	46	0.41	15	3.7
10	310	15	7.3	20	5.8	1.5	0.80	0.18	0.18	45	0.40	15	3.7
15	120	18	6.6	24	4.9	1.3	0.73	0.16	0.18	39	0.35	15	3.5
20	4	23	5.2	31	5.5	1.1	0.62	0.27	0.17	31	0.28	12	3.2

The JORC Inferred resource includes a current high grade component of **4mt @ 23% P₂O₅ at 20% Cut-off** which is restricted to the area of 200 by 200m drilling. With further infill drilling across the resource NuPower expects the high grade DSO component of the resource to grow significantly. The resource is flat lying with only a 10 to 20 meter variation in depth to mineralisation over 5km. The resource dips very gently from north to the south. The shallow resource will allow for open pit/cast mining.

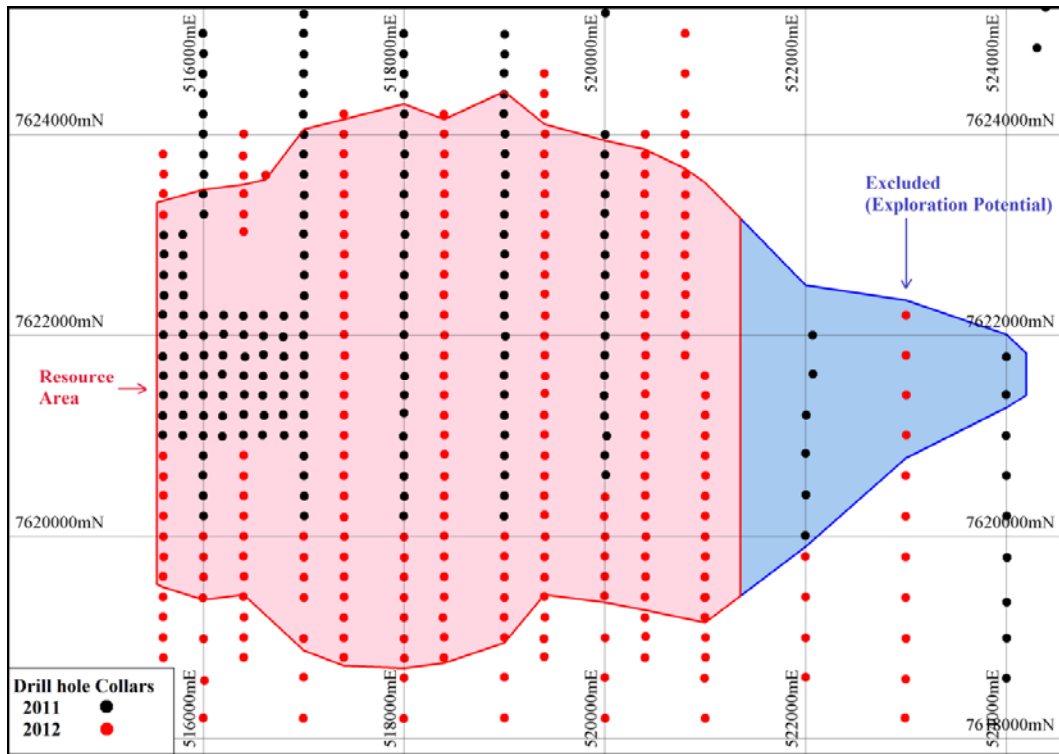


Figure 6. Arganara JORC Resource shown as pink polygon (area 27.8km²) over 2011 and 2012 RC drill hole locations. The blue polygon represents an area estimated as having exploration potential

STYLE OF MINERALISATION

There is no surface expression of the phosphate mineralization at Arganara; the Cambrian rocks have a few metres of sand cover. However, drilling has shown that the mineralisation is hosted by siltstones which generally overlie a dolomite unit. Mineralisation (fluorapatite) is predominantly within a weathered buff coloured siltstone, which is overlain by a pale grey intensely leached siltstone. Thin section study has shown that the initial phase of mineralization was authigenic in origin; this has been reworked and overprinted by a later phase of mineralization which is possibly associated with weathering. The phosphate seems to have been initially deposited within a very shallow and sheltered marine environment, protected by carbonate reefs.

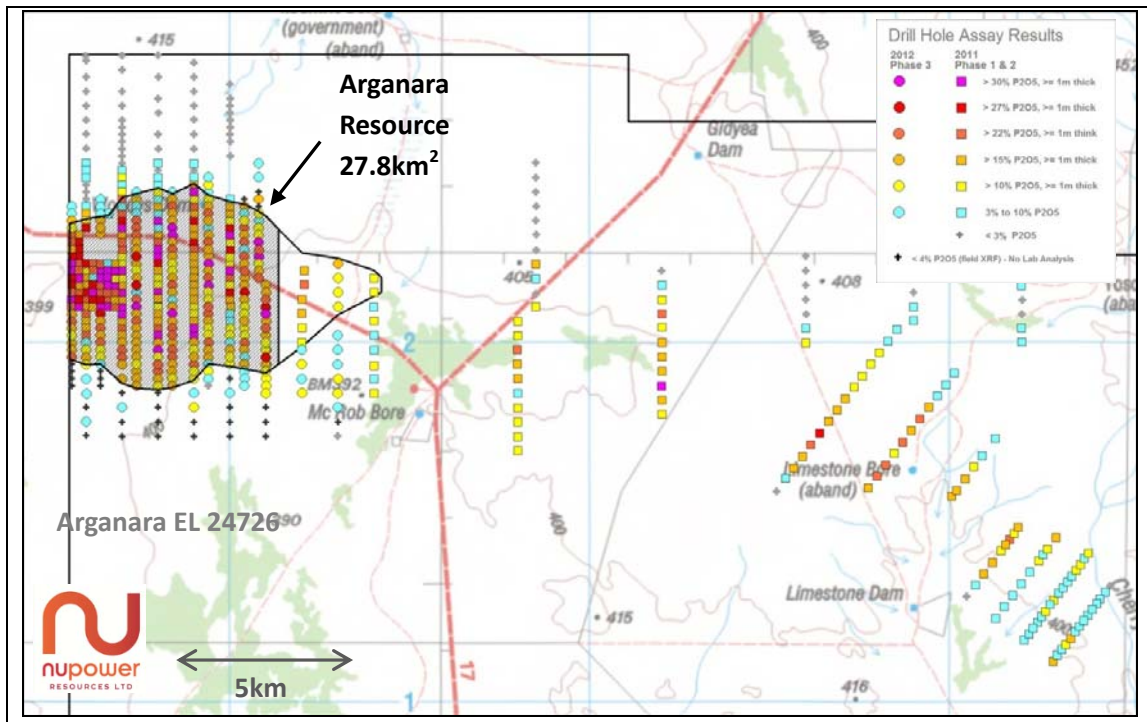


Figure 7: Arganara Phase 1, 2 & 3 assays results shown with new Arganara Resource superimposed over best 1m intersection grades. High grade Phosphate extends over 27km.

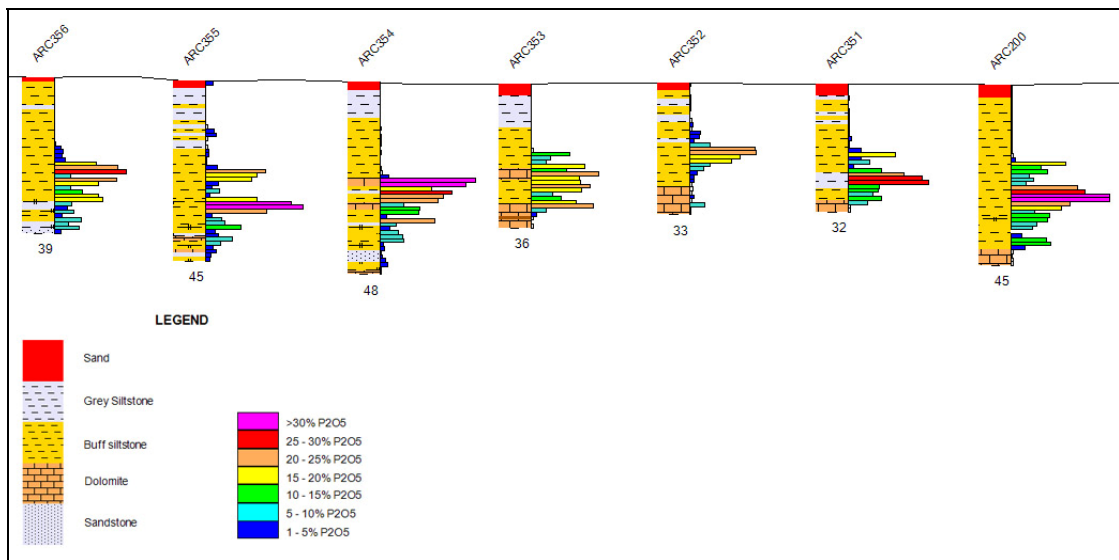


Figure 8: Section across mineralisation at Arganara, basic geology and phosphate grade (bars) as shown

The mineralisation exhibits good continuity between drill holes (Figures 9 and 10). Approximately 30% of the holes drilled in the Arganara deposit gave intersections of potential DSO grade (greater than or equal to 25% P_2O_5) (Figure 10). A significant number of these intersections were from depths of 15m or less. Three examples of shallow high grade intersections, with 25% P_2O_5 cut-off, are:

5m @ 29.3% P_2O_5 from 14m, 3m @ 29.6% P_2O_5 from 15m, 3m @ 30.6% P_2O_5 from 9m

These results indicate that there is potential to begin a shallow mining operation at Arganara by targeting DSO grade phosphate.

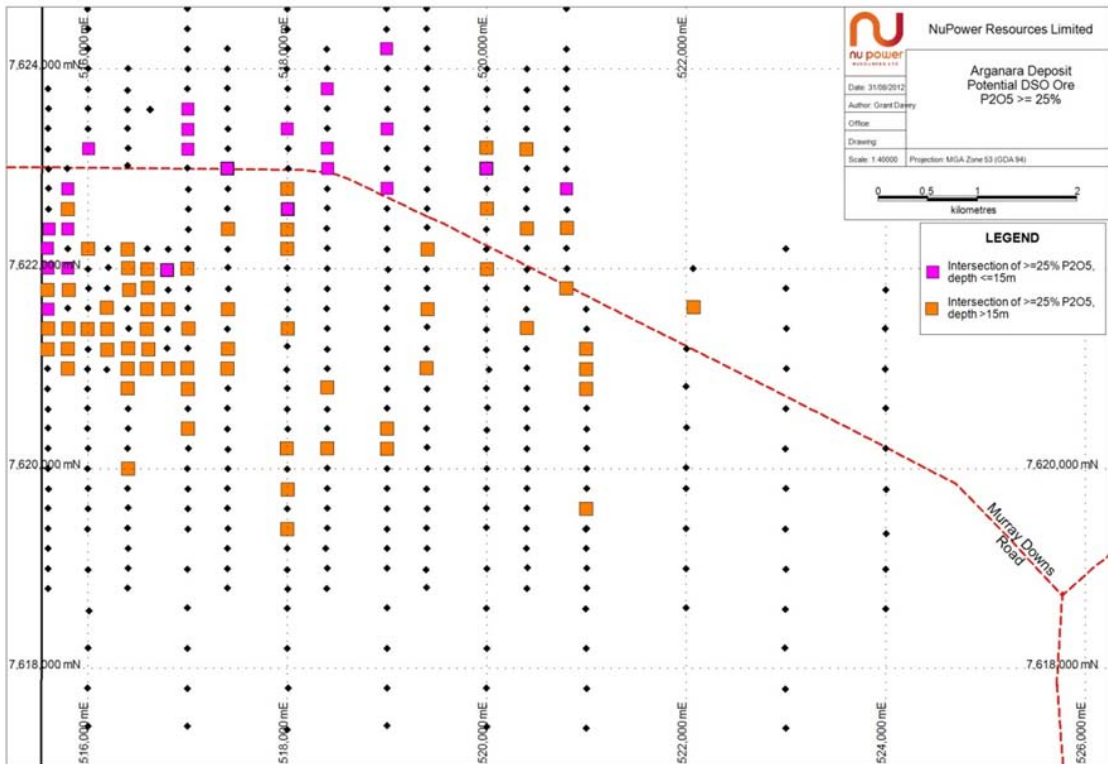


Figure 9: Arganara Prospect showing drill centres and locations above 15m depth (pink squares) with intersections above 25% P_2O_5 and below 15m depth (orange squares) at 25% P_2O_5

WHOLE ROCK GEOCHEMISTRY

NuPower has tested whole rock geochemistry at 6 locations across the Arganara Resource (Figure 11). Phosphate mineralisation was targeted at these locations to give a spread of results from varying depths of high grade phosphate mineralisation.

Initial internal analysis indicates that the Arganara phosphate mineralisation compares favourably to other major phosphate producing areas including the Middle East, North Africa/Morocco and Florida.

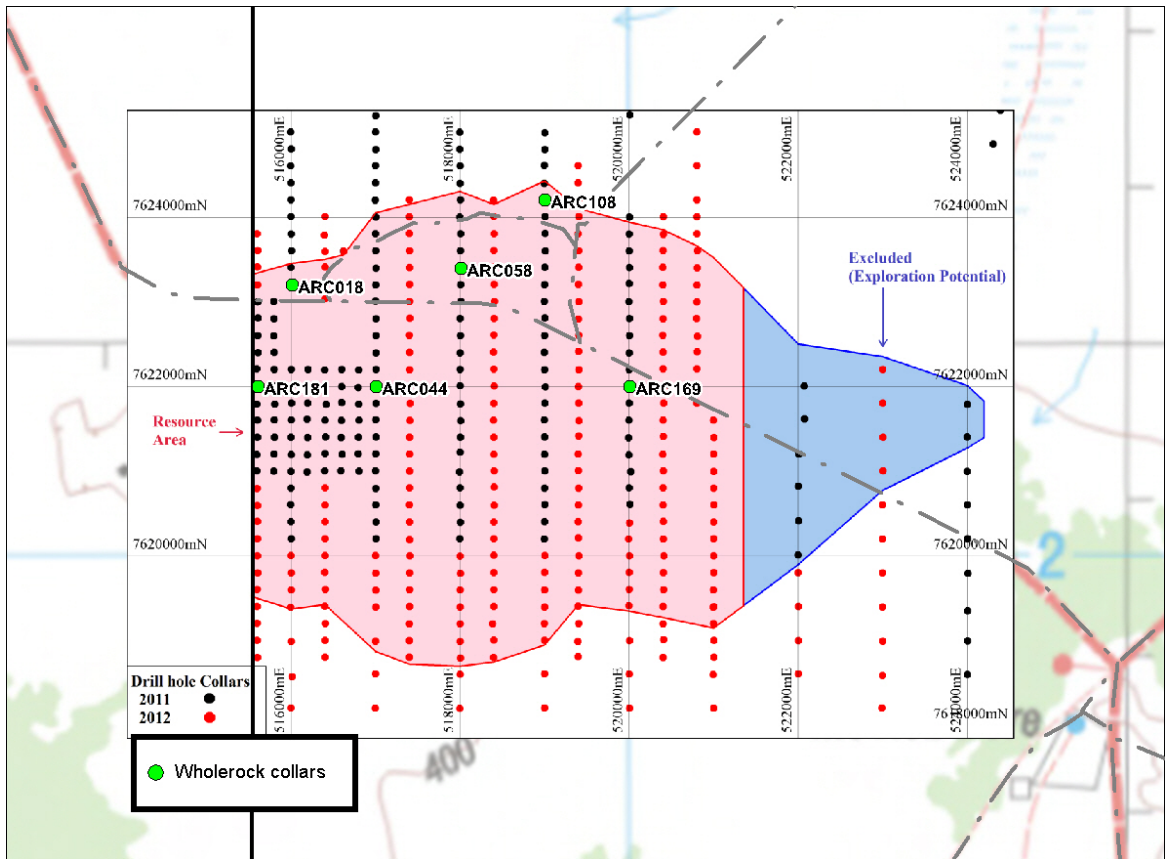


Figure 10: Arganara Resource Polygon showing hole centres and specific holes sampled for whole rock geochemistry

METALLURGICAL TEST WORK

NuPower has commenced its Phase 1 Metallurgical test work and results should be available during quarter 4 2012. Publicly available metallurgical/beneficiation work by other parties on phosphate mineralisation nearby Arganara indicates that grade increases may be achievable through basic crushing and screening.

ARGANARA DEVELOPMENT – MINING LEASE

With the successful definition of a JORC Resource at Arganara, NuPower has commenced the application process for a mining lease. NuPower will now focus on this process over the coming months. Proceeds from the Rights Issue will be used to complete infill drilling, the Phase 2 metallurgical test work based on Diamond Cores, the taking of bulk samples for phase 3 metallurgical test work and the numerous studies required for the notice of intent to mine.

2.2.2 Lucy Creek Project

TENEMENTS AND LOCATION

The Lucy Creek Project consists of 2 granted exploration licences, EL24716 and EL24724. The project is located 30km north of the Plenty Highway and 270km east-northeast of Alice Springs as shown in Figure 1.

LUCY CREEK PROJECT

Project/Tenement Name	EL Number	Registered Owner	Status	Area km ²
Lucy Creek	EL24724	NuPower Resources Limited (100%),	Fully Granted	337.6
Johanssen Range	EL24716	NuPower Resources Limited (100%),	Fully Granted	104.7

Table 3: Lucy Creek Project Tenements

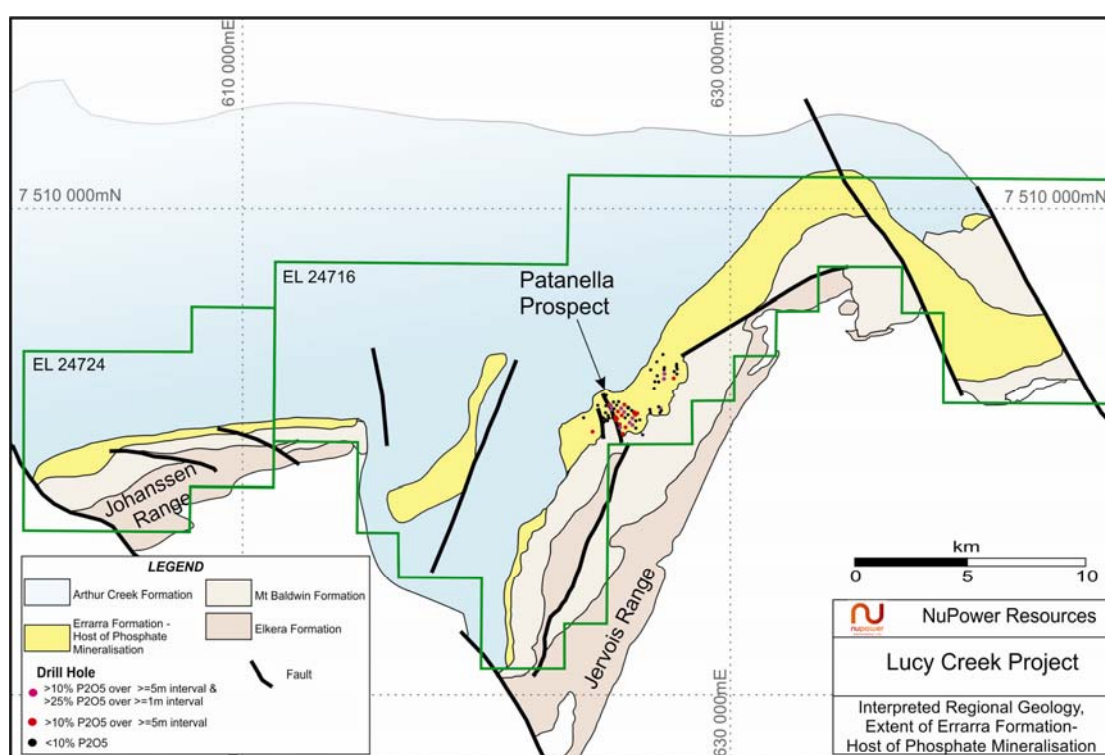


Figure 11: Lucy Creek Project – Interpreted geology showing extent of the prospective Errarra Formation and location of Patanella prospect

GEOLOGY AND PHOSPHATE MINERALISATION

At Lucy Creek, the host to the phosphate mineralisation, the Early Cambrian Errarra Formation, rests unconformably on Mt Baldwin sandstones. It is generally only poorly exposed along the base of the Mt Baldwin dip slope on the western and northern flanks of the Jervois and Johanssen Ranges (Figure 11). The formation is approximately 130m thick comprising a thin basal unit of granule conglomerate overlain by two dolostone units, separated by a silty sandstone unit. The sequence dips +30° to the west, has a potential strike length of up to 45km within both tenements and a strike width of 1.5-2.0km of near-surface material within 50m of the surface.

Exploration to date has concentrated on the Patanella Prospect where drilling has identified significant phosphate mineralisation over a 4km strike length including the following intersections from the original 5m composites and 1m splits of these composites;

- LCRC004: 7m @ 25.4% P₂O₅ from 31m including 4m @ 30.00% P₂O₅ from 32m
- LCRC028: 5m @ 28.0% P₂O₅ from 37m including 4m @ 30.60% P₂O₅ from 37m
- LCRC062: 4m @ 30.9% P₂O₅ from 8m
- LCRC063: 7m @ 27.4% P₂O₅ from 17m including 4m @ 30.90% P₂O₅ from 19m
- LCRC074: 12m @ 29.5% P₂O₅ from 18m including 8m @ 34.2% P₂O₅ from 22m
(calculated using a 15% with 2m internal dilution and 25% cut-off with no internal dilution).

The Patanella mineralisation has similarities with other phosphate deposits within the Georgina Basin as it is spatially associated within an embayment within the palaeo-coast line controlled by a north, north-west striking fault zone and is peripheral to a palaeo-coast parallel ridge.

The main zone of phosphate mineralisation identified to date is located against the eastern side of the north north-west orientated fault zone and splits into 3 distinct zones, all open along strike. The most significant of these extends some 2km to the north east from LCRC063 to the mineralisation identified in the vicinity of LCRC004 (Map 4).

Further potential for phosphate mineralisation exists on the western side of the north, north-west fault zone as evidenced by the **15m @ 12.7% P₂O₅ including 5m @ 21.8% P₂O₅ of mineralisation intersected in drill hole PD94JR02.**

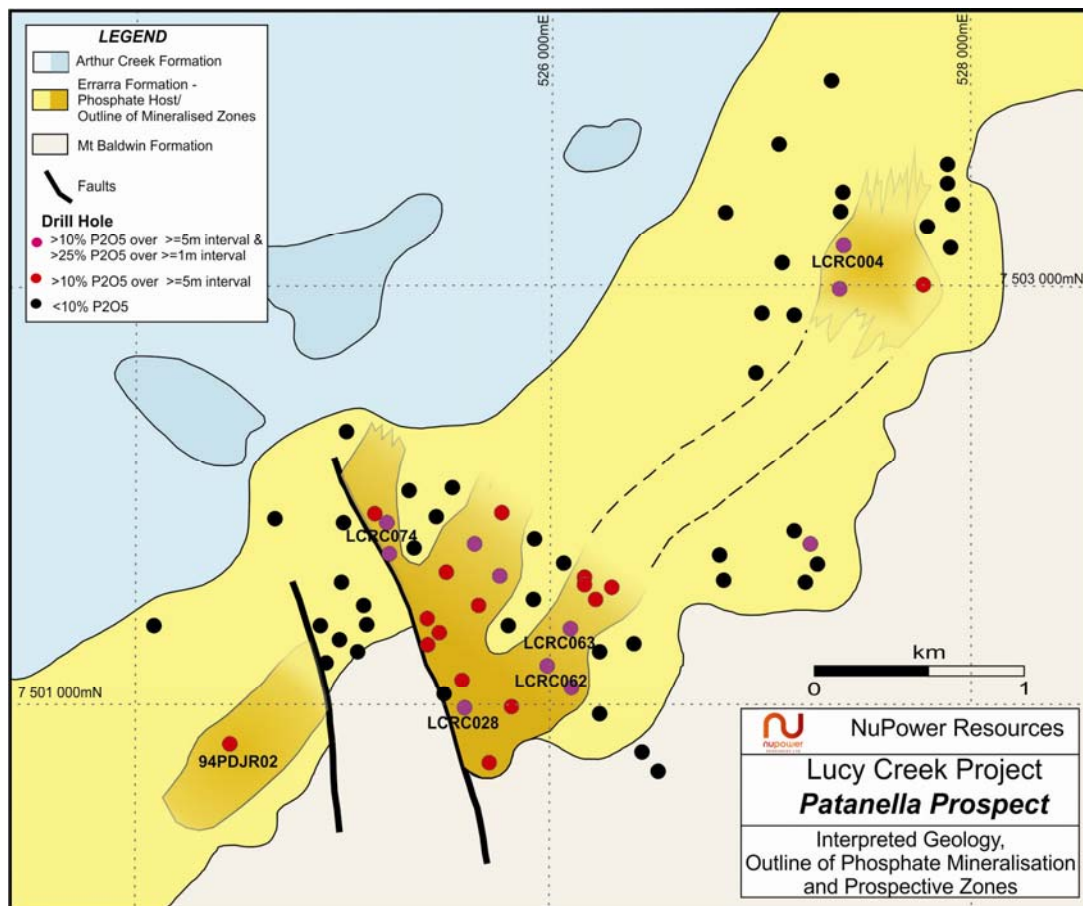


Figure 12: Lucy Creek Project, Patanella Prospect – Outline of phosphate mineralisation delineated to date together with drilling results and prospective zones

The Errarra Formation which hosts the mineralisation at Lucy Creek is exposed intermittently over a strike length of up to 45km which includes the Patanella Prospect.

The work program during 2013 is proposed to focus on reconnaissance exploration including potential drilling along the remaining 45km of untested strike length of the prospective Errarra Formation.

2.2.3 Warrabri Project

TENEMENTS AND LOCATION

The Warrabri Project comprises 3 adjacent granted exploration licences, EL26226, EL26227, EL26228, covering 1,716 square kilometers. The project straddles the Stuart Highway and the Darwin-Alice Springs railway, and is 100km south of Tennant Creek and 300km northeast of Alice Springs.

WARRABRI PROJECT

Tenement Name	EL Number	Registered Owner	Status	Area km ²
Singleton	EL26226	NuPower Resources Limited (100%),	Fully Granted	203.8
Shirley Creek	EL26227	NuPower Resources Limited (100%),	Fully Granted	347.0
Wycliffe Creek	EL26228	NuPower Resources Limited (100%),	Fully Granted	1077.0
Taylor	ELA26225	NuPower Resources Limited (100%),	App - moratorium	444.4

Table 4: Warrabri Project Tenements

GEOLOGY AND PHOSPHATE MINERALISATION

Exploration at Warrabri will focus on the Chabalowe Formation, which comprises dolomitic sandstones and siltstones. The formation outcrops just south of the Warrabri Tenements and is interpreted to extend north westwards into the project area. The Chabalowe Formation is interpreted to be equivalent to (an extension of) the Arthur Creek Formation which hosts the phosphate mineralisation at Arganara. If this is the case, the sediments of the prospective Chabalowe Formation may be present over a strike length of up to 80km with a potential width of 12km (Figure 13).

This interpretation is supported firstly by an Northern Territory Geological Survey report of cuttings from a drill hole at Wycliffe Well that assayed 3m @ 2.2% P₂O₅ from 3m (Figure 13). Secondly, south of the project area where the Chabalowe Formation outcrops, ground waters are anomalous in Selenium (Se), Arsenic (As), Nickel (Ni), Cobalt (Co), Molybdenum (Mo) and Copper (Cu). Phosphate deposits elsewhere are known to contain trace amounts of a wide range of elements and it is considered here that these anomalies in the ground water are derived from phosphate units within this Chabalowe Formation. Sampling of groundwater within the project area has shown a similar range of anomalous elements supporting this interpretation.

In 2013 NuPower proposes to test the region with a first-pass series of broadly spaced shallow (maximum 50m) holes on broadly spaced lines across the proposed strike of the Chabalowe Formation positioned to test the locations of the station bores in closest proximity to the Stuart Highway.

This project has the potential to host the closest sedimentary phosphate deposit to the road and rail transport corridor in the Northern Territory.

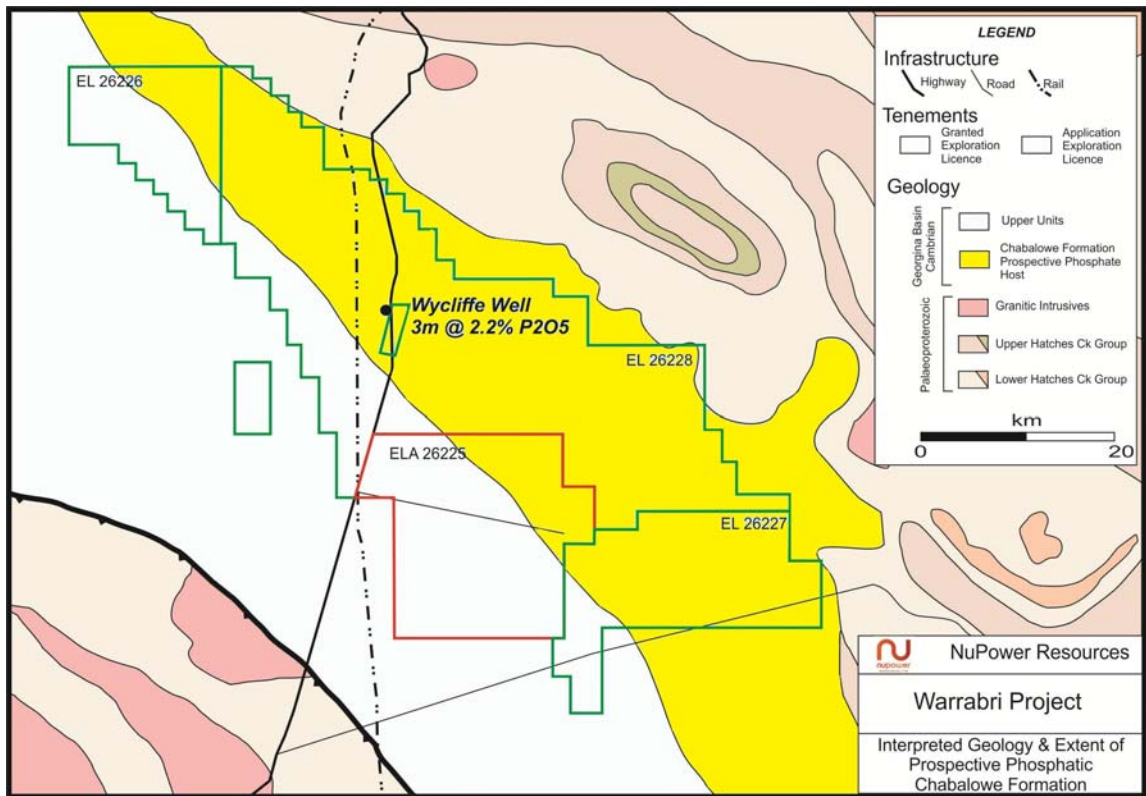


Figure 13: Warrabri Project - Interpreted Geology showing extent of the Chabalowe Formation, considered prospective for phosphate mineralisation.

2.3 NuPower’s Uranium Projects

INTRODUCTION

NuPower holds a residual portfolio of uranium projects. The shift in both commercial and political sentiment toward uranium has made exploration a low priority for NuPower. NuPower’s uranium projects comprise Westmoreland, on the Northern Territory side of the Queensland border and Aileron in Central Australia.

NuPower considers its Westmoreland Project to have significant hard rock uranium potential as evidenced by the high-grade resource defined on the 100% owned Eva mining lease. Commissioning of a VTEM survey over the entire Westmorland Tenement took place in 2011 aimed at detecting uranium targets for drill testing. Bad weather delayed the survey which is anticipated to be completed before the end of 2012.

NuPower is currently rationalising its Aileron tenement portfolio in Central Australia. There are a number of remaining tenements in the Aileron Project portfolio that without third part interest will be relinquished prior to renewal dates.

WESTMORELAND PROJECT

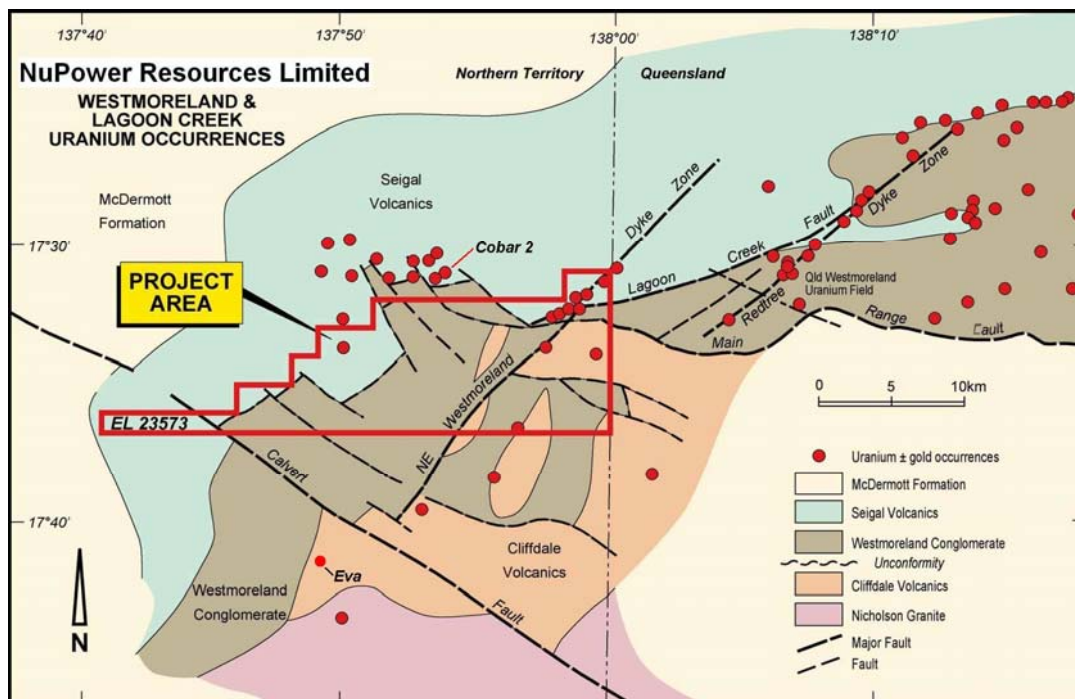


Figure 14: Westmoreland Project Tenements and Mining Leases shown over basic geology and regional Uranium occurrences

The Westmoreland Project consists of 3 areas,

WESTMORELAND PROJECT

Tenement Name	EL Number	Registered Owner	Status	Area
Lagoon Creek JV	EL23573	NuPower (50%),	Fully Granted	189.8 km ²
Eva	MLN585	NuPower Resources Limited (100%),	Fully Granted	12.14 hectares
Cobar	MLN578	NuPower Resources Limited (100%),	Fully Granted	6.74 hectares

Table 5: Westmoreland Project Tenements

EVA

The Eva uranium-gold deposit was drilled by the Company in 2009 and the following separate mineral resources compliant with the JORC Code were announced in 2011.

Category	Tonnes	Grade U ₃ O ₈	U ₃ O ₈ Tonnes	U ₃ O ₈ M Lbs
Inferred	105,300	0.05%	60	0.13
Indicated	430,500	0.14%	590	1.30
Total	535,800	0.12%	650	1.43

using a 0.02% U₃O₈ cut off.

Category	Tonnes	Grade Au	Au kg	Au Oz
Inferred	14,000	3.07g/t	40	1400
Indicated	87,600	3.88g/t	340	10,900
Total	101,600	3.77g/t	380	12,300

using a 1.2g/t Au cut off.

The gold resource lies mostly within the uranium resource.

The mineralisation occurs as replacements, disseminations and fracture fillings of secondary uranium oxide minerals and gold in andesites of the Clifdale Volcanics and microgranite of the Nicholson Granite Complex immediately beneath the Westmoreland Conglomerate unconformity. Eva is thought to be of the unconformity uranium deposit type with similarities to the Coronation Hill deposit in the Alligator Rivers region. No additional exploration is being considered at Eva.

Lagoon Creek

The Lagoon Creek title covers the southwest strike extension of the North East Westmoreland Dyke Zone from Queensland. The project is a 50/50 joint venture with Lagoon Creek Resources Pty Ltd who are operators of the joint venture, see Figure 14.

Drilling along the strike of the North East Westmoreland and El Hussen structures in zones previously tested by earlier explorers has not intersected economic grades of mineralisation. A detailed airborne radiometric survey identified various uranium anomalies. The results of the follow up of some of these have been disappointing. Regional stream sediment sampling generated some minor multi-element anomalies. Follow up of this work and the anomaly of previous explorers is incomplete.

A VTEM airborne electromagnetic Survey was commissioned and paid for in late 2011, under the JV terms with Lagoon Creek Resources Pty Ltd. The survey was delayed due to weather and has been rescheduled for late 2012.

Cobar II

At Cobar II uranium mineralisation is confined to narrow and discontinuous shear zones in basalts of the Seigal Volcanics, uncomfortably overlying Westmoreland Conglomerate.

In 2010 the Company drilled 7 holes to test the mineralised structure in the vicinity of Blackwells Workings. This showed that the better uranium mineralisation is confined to a small shoot of hydrothermal breccia developed above the unconformity that was most probably the focus of the earlier miners. No significant mineralised intersections were found and no further work is planned.

AILERON PROJECT

The Aileron Project area now comprises 5 exploration licenses owned and managed by NuPower, and a number of additional tenements where NuPower retains the Uranium rights at no cost. The Aileron region is centred 100km north of Alice Springs and bisected by the Stuart Highway.

AILERON PROJECT

Tenement Name	EL Number	Registered Owner	Status	Area km ²
Pine Hill	EL26374	NuPower Resources Limited (100%),	Fully Granted	22.23
Chianina	EL26375	NuPower Resources Limited (100%),	Fully Granted	203.3
Joppita Bore	EL28728	NuPower Resources Limited (100%),	Fully Granted	85.6
Mt Lucy	EL28543	NuPower Resources Limited (100%),	Fully Granted	183.74
Woodforde	EL24741	NuPower Resources Limited (100%),	Fully Granted	780.4

Table 6: Aileron Project Tenements

The project was initiated on the transfer of licences with potential to host Palaeo-channel uranium mineralisation to NuPower in 2007. Subsequently, NuPower then acquired further areas with additional Palaeo-channel potential and where there is interest in the basement for other styles of mineralisation. It is from these tenements that a number of NuPower's Phosphate projects have been derived.

Over the past 6 months, following the success at Arganara, NuPower has relinquished management of a number of the tenements without loss of the Uranium rights, and has relinquished a number of the other tenements with limited potential. Nupower intends to continue rationalisation of the Aileron project over the coming months.

The information in this section of the Prospectus that relates to the Arganara mineral resource estimation is based on work completed by Mr Jonathon Abbott who is a full-time employee of MPR Geological Consultants Pty Ltd and a member of the Australian Institute of Geoscientists. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott consents to the inclusion in the report of the matters based on information reported by him in the form and context in which it appears.

The information in this release that relates to Mineral Resources of the Eva Project is based on information reported by Mr. Ian Taylor, who is a member of Australian Institute of Geoscientists. Mr. Taylor is employed by Mining Associates Pty Ltd of Brisbane, Australia. Mr. Taylor has sufficient experience in resource modeling which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (Australia). Mr. Taylor consents to the inclusion in this Section of the Prospectus of information based on information reported by him in the form and context in which it appears.

The information in this section of the Prospectus that relates to exploration results, background to the project, future work, comments on the resource estimates and economic potential of the estimated resource is based on information compiled by Mr Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Mr Johnstone has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Johnstone, who is an officer of the Company, consents to the inclusion in the report of the matters based on information reported by him in the form and context in which it appears.

This section of the Prospectus 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.

3. Actions Required by Eligible Shareholders

The following alternatives are available to Eligible Shareholders if they wish to take up part or all of their Entitlement.

3.1 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares in accordance with the instructions set out in that form.

You should then forward your completed Entitlement and Acceptance Form together with your Application Money or alternatively make your payment via the Bpay facility (“**Bpay**”) in accordance with Section 3.5 to reach the Share Registry no later than 5.00pm (Sydney time) on 27 November 2012.

3.2 Taking up all of your Entitlement and applying for Shortfall Shares

If you wish to take up more than your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares as detailed in this Section 3, and follow the other steps required in Section 4.

3.3 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up only part of your Entitlement, follow the instructions on the accompanying Entitlement and Acceptance Form to apply for the number of New Shares you wish to take up. The balance of your Entitlement will lapse and will then form part of the Shortfall Shares that may be issued to other parties in accordance with this Prospectus.

3.4 Acceptance of terms

All applications for New Shares must be made on the Entitlement and Acceptance Form. Any application will be treated as an offer from the applicant to acquire New Shares on the terms and conditions set out in the Prospectus. The Directors reserve the right to reject any applications for New Shares.

3.5 Payment

Entitlement and Acceptance Forms must be accompanied by payment in full, calculated by multiplying the number of New Shares subscribed for by the issue price of \$0.016 per New Share.

Payments must be made by 5.00pm (Sydney time) on 27 November 2012 and must be in Australian currency and by:

- cheque drawn on and payable at any Australian bank; or
- bank draft drawn on and payable at any Australian bank.

Cheques or bank drafts must be made payable to ‘NuPower Resources Limited – Rights Issue’ and crossed ‘Not Negotiable’. Cash payments and money orders will not be accepted and receipts for payment will not be provided.

Alternatively, payment can be made via Bpay by following the instructions on the enclosed Entitlement and Acceptance Form. Note it is the responsibility of the applicant to ensure funds submitted through Bpay are received by 5.00pm (Sydney time) on 27 November 2012.

3.6 Send to

Completed Entitlement and Acceptance Forms and accompanying payments must be returned to the Share Registrar at the following address and received no later than 5.00pm (Sydney time) on 27 November 2012

By mail:

NuPower Resources Limited
c/- Security Transfer Registrars Pty Ltd
PO Box 535
Applecross WA 6953

By delivery:

NuPower Resources Limited
c/- Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

A reply paid envelope is enclosed for your convenience. If mailed in Australia, no postage stamp is required.

4. Subscription Shortfall

4.1 How to apply for Shortfall Shares

Eligible Shareholders who take up their Entitlement in full will also have the opportunity to apply for Shortfall Shares.

Shortfall Shares will be issued at the same price and on the same terms as the New Shares and an Eligible Shareholder may only make an application for Shortfall Shares if they apply for their maximum Entitlement.

Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions (see Section 4.3 below regarding the allocation and placement of any Shortfall Shares). If NuPower receives applications for Shortfall Shares that would result in the Offer being oversubscribed then the Company will not accept such oversubscriptions and will reject applications at its absolute discretion.

The Directors reserve the right to reject any application for Shortfall Shares or to allot a lesser number of Shortfall Shares than applied for. Application Monies received but not applied towards subscriptions for Shortfall Shares will be refunded as soon as practicable. No interest will be paid on Application Monies held and returned. Furthermore, the Company will not issue Shortfall Shares where to do so would result in a breach of the Corporations Act or the Listing Rules.

4.2 Completion of Entitlement and Acceptance Form

All acceptances for New Shares and Shortfall Shares offered under this Prospectus must be made on the personalised Entitlement and Acceptance Form and accompanied by payment of Application Monies in accordance with instructions set out on that form. An Eligible Shareholder may only make an application for Shortfall Shares if the Shareholder applies for their maximum Entitlement of New Shares under the Offer.

4.3 Placement of Shortfall Shares

Under an exception to the Listing Rule 7.1 requirement for shareholder approval to an issue of securities in excess of 15% of the Company's issued share capital, NuPower may issue any Shortfall Shares that are not successfully subscribed for by Eligible Shareholders ("**Shortfall Shares Balance**"), at the discretion of the Directors, provided that:

- the price at which New Shares in the Shortfall Shares Balance are issued is not less than the issue price for the New Shares under the Offer; and
- New Shares in the Shortfall Shares Balance (or any number of them) are issued within three (3) months of the Closing Date.

If there is such a shortfall, then the Board reserves the right to utilise this exception to Listing Rule 7.1, in which case, the Board may:

- seek bids from institutions and other prospective investors for the New Shares comprising the Shortfall Shares Balance; and
- determine the issue price and allot the New Shares on the basis of those bids.

NuPower may pay fees or commissions determined at the time of offering or issuing New Shares in the Shortfall Shares Balance. The allocation of New Shares in the Shortfall Shares Balance will be made at the Company's discretion, having regard to applications received by Eligible Shareholders and the fees or commissions that may be required to be paid to institutions and other prospective investors when placing Shortfall Shares. Non-Shareholder applicants can apply for Shortfall Shares by completing the Shortfall Application Form.

The offer of Shortfall Shares is a separate offer made pursuant to this Prospectus and will remain open after the Closing Date.

5. Effect of the Rights Issue on NuPower

5.1 Principal effect of Rights Issue

If all of the Eligible Shareholders take up their Entitlement in full, then the principal effect of the Rights Issue on NuPower will be that:

- (a) the cash reserves and contributed equity of NuPower will increase by approximately \$2,047,292 before deducting the expenses of the Rights Issue; and
- (b) the number of NuPower shares on issue will increase by 127,955,776.

5.2 Impact on capital structure

At the date of this Prospectus, NuPower has 511,823,104 Shares on issue. If all of the Eligible Shareholders take up their Entitlements under the Offer in full, the New Shares issued pursuant to this Prospectus will be 127,955,776. This is 25% of the expanded issued capital. The total Shares on issue after the Rights Issue will be 639,778,880.

NuPower has 5,000,000 Options on issue at the date of this Prospectus. These Options have an exercise price of 3.5 cents per Option and have an expiry date of 15 June 2013. The holders of these Options are not entitled to participate in this offer unless the Options are exercised into Shares prior to the Record Date. Given the exercise price of the Options is significantly above the current market Share price the Directors are of the opinion that this is unlikely to occur.

The pro-forma capital structure of NuPower following the Rights Issue is set out below:

Table 5: Issued Capital Post Rights Issue

Issued Capital	
Existing Shares	511,823,104
New Shares to be issued pursuant to this Prospectus	127,955,776
Total Shares on issue following the Rights Issue	639,778,880
Options on issue pre and post rights issue	5,000,000

5.3 Pro-forma Statement of Financial Position

Presented below is the audited Statement of Financial Position as at 30 June 2012 of the Company and an unaudited pro-forma Statement of Financial Position that has been prepared on the basis that there have been no material movements in the assets and liabilities of NuPower between 30 June 2012 and completion of the Rights Issue, except:

- (a) the issue of 62,500,000 placement Shares on 7 August 2012 at \$0.016 per Share that raised approximately \$934,000 after expenses;
- (b) the Rights Issue of 127,955,776 New Shares at \$0.016 per New Share to raise approximately \$2,047,292 before expenses;
- (c) estimated expenses of the Rights Issue of approximately \$150,000 to be offset against contributed equity.

Table 6: Audited Statement of Financial Position and Unaudited Pro-forma Statement of Financial Position

	30 June 2012 (audited)	Pro-forma (Unaudited)
Current assets		
Cash and cash equivalents	1,016,267	3,847,559
Trade and other receivables	548,877	548,877
Total current assets	1,565,144	4,396,436
Non-current assets		
Plant and equipment	130,081	130,081
Trade and other receivables	20,735	20,735
Available for sale financial assets	1	1
Total non-current assets	150,817	150,817
Total assets	1,715,961	4,547,253
Current liabilities		
Trade and other payables	522,614	522,614
Total current liabilities	522,614	522,614
Non-current liabilities		
	-	-
Total non-current liabilities	-	-
Total liabilities	522,614	522,614
Net assets	1,193,347	4,024,639
Equity		
Contributed equity	29,026,554	31,857,846
Reserves	65,000	65,000
Accumulated losses	(27,898,207)	(27,898,207)
Total equity	1,193,347	4,024,639

Notes to pro-forma statement of financial position

- (a) Assumes estimated costs of the Rights Issue of \$150,000
- (b) Current assets – Cash and cash equivalents

	30 June 2012	Unaudited Pro-forma
Cash at Bank and in hand	1,016,267	3,847,559
Pro-forma adjustments		
Balance as at 30 June 2012		1,016,267
Net Proceeds from the Placement		934,000
Proceeds from the Rights Issue		2,047,292
Payments relating to the Rights Issue and Placement		(150,000)
		3,847,559

- (c) In the event Directors place Shortfall Shares as outlined in Section 1.3, commissions and management fees for New Shares may be incurred. Where a commission or management fee is incurred, the costs incurred for the Rights Issue will increase resulting in a decrease in Cash and Contributed Equity.

(d) Contributed equity

	30 June 2012	Unaudited Pro-forma
Shares	449,323,104	639,778,880

Movements in ordinary share capital

Date	Details	Number of Shares	Issue price \$	\$
30 June 2012	Balance	449,323,104		29,026,554
7 August 2012	Issue of Shares under the Placement	62,500,000	0.016	1,000,000
	Less Issue Costs			(66,000)
	Pro forma adjustments			
	Issue of New Shares pursuant to this Prospectus	127,955,776	0.016	2,047,292
	Less Issue Costs			(150,000)
		639,778,880		31,857,846

Notes to audited 30 June 2012 statement of financial position

- (a) The 30 June 2012 Statement of Financial Position has been prepared utilising the statutory financial report of the Company for the year ended 30 June 2012 lodged with the ASX. This information should be read in conjunction with the 30 June 2012 statutory financial report lodged with the ASX which includes an audit opinion by the Company's auditors Grant Thornton Audit Pty Ltd.
- (b) It should also be noted, as stated in the 30 June 2012 statutory financial report that the Directors and Auditors believe for the Company to continue as a going concern and to continue its exploration activities into the future, it will need to successfully raise sufficient capital to fund costs involved in renewing tenements and continuing exploration activity.

6. Risk Factors

- 6.1** The New Shares offered under this Prospectus should be considered speculative because the nature of NuPower's activities are subject to a number of risks which may impact respective future financial performance and the market price at which the New Shares and Shares trade.

Whilst the Directors recommend that Eligible Shareholders take up their Entitlement, there is however numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, others are outside of NuPower's control and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the New Shares and Shares will trade.

Therefore, investors who acquire New Shares may be exposed to a number of risks. Broadly, these risks can be classified as risks general to investing in the share market and risks specific to an investment in New Shares and NuPower's underlying business.

This Section sets out the identified major risks associated with investing in New Shares. This list is not exhaustive and Eligible Shareholders should read this Prospectus in its entirety before making an investment decision. Eligible Shareholders should also have regard to their own investment objectives and financial circumstances, and should consider seeking appropriate independent investment advice before deciding whether to invest in the New Shares.

6.2 Risks specific to an investment in mining

(a) Exploration and mining risk

Mineral exploration is a high-risk undertaking. There can be no assurance that mineral exploration will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The business of exploration, project development and mining contains risks and depends on successful exploration and/or acquisition of resources, design and production and processing facilities. In particular exploration is a speculative endeavour and certain circumstances, cost over-runs and other unforeseen events can hinder mining operations.

(b) Drilling and operational risks

The operation of the Company may be disrupted by a variety of risks and hazards which are beyond the control of NuPower, including environmental hazards, industrial accidents, technical failures, regulatory changes, labour disputes, unusual or unexpected rock formations, geotechnical rock failures, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents.

(c) Title and Native Title

Interests in tenements in Australia are governed by the respective State and Northern Territory legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, NuPower could lose title to or its interests in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, laws and regulations may be subject to change over time. Both the *Native Title Act 1993* (Cth), related State and Northern Territory native title legislation and Aboriginal land rights and Aboriginal heritage legislation may affect NuPower's ability to gain access to prospective exploration areas or obtain production titles.

Compensatory obligations may be necessary in settling native title claims if lodged over any tenements acquired by NuPower. The existence of outstanding registered native title claims means that the grant of a tenement in respect of a particular tenement application may be slightly delayed or thwarted pending resolution of future act procedures in the Native Title Act and status of the tenements acquired by NuPower. At this stage, it is not possible to quantify the impact (if any) which these developments may have on the operation of NuPower.

(d) Environmental risk

NuPower's projects and operations are subject to State, Northern Territory and Federal laws and regulation regarding environmental hazards and discharge of hazardous waste and materials and prescribed materials under the *Atomic Energy Act 1953* (Cth). NuPower is committed to conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations but the potential for liability is ever present.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent NuPower from being able to develop potentially economically viable mineral deposits.

(e) Occupational health and safety risk

NuPower is committed to providing a healthy and safe environment for its personnel, contractors and visitors. NuPower provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational health and safety management systems.

(f) Other factors

In addition to the risks outlined above, NuPower's operating performance and profitability is sensitive to a number of other specific factors. These include, but are not limited to:

- the discovery and/or acquisition of economically recoverable mineral reserves;
- access to adequate capital for project development;
- design and construction of efficient mining and processing facilities within capital expenditure budgets;
- obtaining consents and approvals necessary for the conduct of exploration and mining;
- favourable weather conditions for exploration and mining activities; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately qualified, skilled and experienced employees, contractors and consultants.
- NuPower's primary focus is on its phosphate projects, however, the Company retains a portfolio of uranium exploration targets. The Directors consider that these uranium assets are not a major priority for the activities of the company, or likely to absorb a significant portion of the proceeds of the Rights issue. However, investors should note that there are additional risks specific to investing in a company involved in uranium mining and exploration regarding more complex approvals and regulations governing all activities involved in the exploration, development, and operation of a uranium project, as well as regulation governing the sales and marketing of uranium.

6.3 General investment and economic risks

A number of factors outside of NuPower's control may significantly impact NuPower, its performance and the market price of Shares. These factors include:

(a) Investment and economic risk

Economic factors both in Australia and internationally beyond the control of NuPower, such as changes in commodity prices, interest rates, inflation, exchange rates, taxation, changes in government policy and legislation, may negatively impact on the operational performance of NuPower.

NuPower's revenues, expenses and cash flows could be negatively affected by any of these factors, which in turn may affect the price of the New Shares and Shares.

No assurances can be made that NuPower's performance will not be adversely affected by any such market fluctuations or factors. None of NuPower or its Directors or any other person guarantees the performance of NuPower or the market price at which its Shares trade.

The New Shares are to be quoted on the ASX where their price may rise or fall.

The New Shares issued under the Rights Issue carry no guarantee in respect of profitability, dividends, return of capital or the price at which they trade on ASX. The value of the New Shares will be determined by the market and will be subject to a range of factors beyond the control of NuPower and its Directors including the demand and availability of Shares.

There can be no guarantee that an active market in New Shares will develop or the market price of the Shares will not decline. An investment in New Shares should be considered speculative.

(b) Government policy

NuPower's capacity to explore and mine, as well as industry profitability generally, can be affected by changes in government policy which may be beyond the control of NuPower.

(c) Commodity price risk

The demand for and price of commodities are highly dependent on a variety of factors, including the level of forward selling by producers, costs of productions, general economic conditions, inflation levels, interest rates and exchange rates.

These factors may adversely impact on NuPower's ability to fund operations, exploration, evaluation and development activities.

(d) Future capital needs and additional funding

The future capital requirements of NuPower will depend on many factors. There can be no guarantee that NuPower will be able to raise additional capital to meet future funding requirements.

Any inability to obtain additional finance, if required, would have a material adverse effect on NuPower's business and its financial condition and performance.

(e) Taxation risk

Variations in the taxation laws of Australia could impact NuPower's financial performance and interpretation of taxation law could change, leading to a change in taxation treatment of investments or activities.

(f) Changes in regulatory environment

Changes to laws and regulations or accounting standards which apply to NuPower from time to time could adversely impact the operating and financial performance and cash flows of NuPower.

7. Additional Information relating to NuPower

7.1 Litigation and material disputes

As at the date of this Prospectus (save as noted below), NuPower is not involved in any legal or administrative proceedings and the Directors are not aware of any claim or threatened claim against NuPower which may result in material legal proceedings.

Native title claims have been made in respect of areas that include tenements controlled by NuPower. NuPower is unable to determine the likelihood of these claims being successful.

7.2 Rights attaching to Shares

The New Shares to be issued pursuant to this Prospectus will rank equally in all respects with existing Shares. Full details of the rights attaching to Shares are set out in the NuPower Constitution, a copy of which can be inspected at the Company's registered office.

The following is a summary of the rights which attach to the Company's existing Shares:

a) Voting rights

Each member entitled to vote in person or by proxy, representative or attorney has one vote on a show of hands and on a poll one vote for each Share held in the capital of the Company. Members holding partly paid Shares have such number of votes on a poll as bears the same proportion to the total of such shares registered in the member's name as the amount of the issue price thereof paid up bears to the total issued price. Each member is entitled to notice of, and to attend and vote at, general meetings.

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to any Shares which are classified under the Listing Rules or by ASX as restricted securities, the member holding the Shares in question shall cease to be entitled to any voting rights in respect of those Shares for so long as the breach subsists.

b) Dividend rights

The Directors may from time to time declare a dividend to be paid to the members entitled to the dividend. The dividend as declared shall be payable on all Shares, except that a partly paid share confers an entitlement only to the proportion of the dividend which the amount paid (not credited) on the Shares is of the total amounts paid and payable (excluding amounts credited).

In the event of a breach of any escrow agreement entered into by the Company under the Listing Rules in relation to any shares which are classified under the Listing Rules or by ASX as restricted securities, the member holding the shares in question shall cease to be entitled to any dividends or distribution in respect of those shares for so long as the breach subsists.

c) Rights on winding up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the members in kind the whole or any part of the property of the Company, and may determine how the division is to be carried out as between the Shareholders or different classes of members.

Subject to the rights of the members (if any) entitled to shares with special rights in a winding up, all moneys and property that are to be distributed among members on a winding up shall be so

distributed in proportion to the shares held by them respectively, irrespective of the amount paid up or credited as paid up on the shares.

d) Transfer of shares

Subject to the NuPower Constitution, the Corporations Act, any other laws and the Listing Rules, Shares in the Company are freely transferable.

e) Future increases in capital

Subject to the NuPower Constitution, the Directors may issue, allot or grant options for, or otherwise dispose of, Shares in the company, and decide:

- the persons to whom shares are issued or options are granted;
- the terms on which shares are issued or options are granted; and
- the rights and restrictions attached to those shares or options.

f) Variation of rights

If at any time the share capital of the Company is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied whether or not the Company is being wound up with the consent in writing of three quarters of the issued shares of that class or if authorised by a special resolution at a separate meeting of the holders of shares of that class.

g) ASX Listing Rules

As the Company is admitted to the official list of ASX, then despite anything in the NuPower Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the NuPower Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the NuPower Constitution to contain a provision or not to contain a provision the NuPower Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the NuPower Constitution is or becomes inconsistent with the Listing Rules, the NuPower Constitution is deemed not to contain that provision to the extent of the inconsistency.

7.3 Expenses of the Rights Issue

The approximate expenses of the Rights Issue (excluding GST where applicable) are as follows;

Expenses	Amount
Legal fees	10,000
ASIC lodgment fees	2,171
ASX listing fees	17,990
Share Registry expenses	10,000
Printing, mailing and sundries	10,000
Provision for fees and commissions*	100,000
Total	150,000

*A provision of \$100,000 has been included for fees and commissions that may be payable on the placement of any Shortfall Shares, as outlined in this Prospectus

7.4 Interests of NuPower Directors

Other than as set out below or elsewhere in this Prospectus, no Director of NuPower (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interest in:

- the formation or promotion of NuPower;
- property acquired or proposed to be acquired by NuPower in connection with its formation or promotion of the Rights Issue; or
- the Rights Issue,

and, other than as set out below or elsewhere in this Prospectus, no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- any Director of NuPower to induce him to become or to qualify as a director of NuPower; or
- any Director of NuPower (or entity in which they are a partner or director) for services which he or she has provided in connection with the formation or promotion of NuPower or the Rights Issue.

The Directors and their related entities have the following interests in the Shares and the Options as at the date of this Prospectus.

Directors' interests include interest they have in Shares registered in the name of other persons. Directors holding Shares will be entitled to participate in the Offer on the same basis as other Eligible Shareholders.

Table 7: Directors' Interests

Director	Shares Held Directly or Indirectly	Unquoted Options Held Directly or Indirectly
Irvin (Mick) Graham Muir	7,772,920 ¹	nil
Ian John Kowalick	1,333,335 ²	nil
Robert William Owen	2,060,419 ³	nil
Samuel Jacob Herszberg	13,600,000 ⁴	nil
Andrew Lorne Johnston	2,000,000 ⁵	nil

1. 6,250,000 Shares are held directly by Irwin Graham Muir. 458,335 Shares are held indirectly through Nancy Helen Muir and Muir Enterprises Pty Ltd
2. All held indirectly by Mr Kowalick as joint trustee for the I J Kowalick Superannuation Fund Mr Kowalick is a beneficiary of the I J Kowalick Superannuation Fund
3. 660,419 Shares are held by his spouse and 1,400,000 by the R.W & Y Superannuation Fund. Mr Owen is a beneficiary of the R.W & Y Superannuation Fund
4. 100,000 Shares are held directly by Samuel Jacob Herszberg. 1,000,000 are held indirectly through Dash Corp Pty Ltd and 12,500,000 are held indirectly through Phosphate Pty Ltd. Mr Herszberg is a director of these companies.
5. All held indirectly by H I Morrison and A L Johnstone as joint trustee for Sunstone Superannuation Fund. Mr Johnston is a beneficiary of the Sunstone Superannuation Fund

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Rights issue.

Details of remuneration provided to Directors and their associated entities during the past two financial years are as follows:-

Director Appointment date	Directors' Fees/ Salary/Superannuation (\$)	Equity (\$)	Total (\$)
Financial Year to 30 June 2011			
I G (Mick) Muir 14 August 2006	159,140	-	159,140
Ian Kowalick 14 August 2006	52,320	-	52,320
Robert William Owen 6 May 2009	52,320	-	52,320
John Carl Jackson 8 July 2009	52,320	-	52,320
Dennis Russell O'Neill 14 August 2009	21,827	-	21,827
Financial Year to 30 June 2012			
I G (Mick) Muir	61,222	-	61,222
Ian Kowalick	52,320	-	52,320
Robert William Owen	100,280	-	100,280
John Carl Jackson	48,000	-	48,000
Andrew Lorne Johnstone	239,800	-	239,800
Period from 1 July 2012 to date			
I G (Mick) Muir 14 August 2006	8,720	-	8,720
Ian Kowalick 14 August 2006	8,720	-	8,720
Robert William Owen 6 May 2009	13,080	-	13,080
John Carl Jackson Resigned 8 August 2012	4,000	-	4,000
Samuel Jacob Herszberg Appointed 8 August 2012	4,360	-	4,360
Andrew Lorne Johnstone	59,950	-	59,950

All compensation arrangements for Directors are determined at Board level after taking into account the competitive rates prevailing in the market place. Non-executive Directors currently receive \$24,000 per annum effective August 2012 plus statutory superannuation. The Non Executive Chairman also receives \$24,000 per annum plus statutory superannuation effective from 1 August 2012. There is no direct link between remuneration paid to any non-executive Directors and corporate performance. There are no termination or retirement benefits for non-executive Directors other than statutory superannuation.

NuPower has entered into Deeds of Indemnity, Access and Insurance with each of the Directors whereby the company has agreed to indemnify and insure the Directors against certain risks the Director is exposed to as a Director of the Company, and agrees to provide access to Company records.

7.5 Privacy Notification

By filling out the Entitlement and Acceptance Form to apply for New Shares, you are providing personal information to NuPower.

The *Privacy Act 1988* (Cth) regulates the way NuPower collects, uses, disposes, keeps secure and gives people access to their personal information.

NuPower collects, holds and uses that personal information in order to process your application and to administer your shareholding in NuPower, including:

- setting up and maintaining a register of shareholders in accordance with the Corporations Act;
- paying dividends to you should NuPower at a later date declare a dividend;
- communicating with Shareholders, including sending annual reports, notices of meetings and any other documents which NuPower wishes to send to you as a Shareholder;
- carrying out general administration including monitoring, auditing, evaluation, modelling data, dealing with complains and answering queries; and
- complying with its legal and regulatory obligations.

If you do not provide the information in the Entitlement and Acceptance Form, NuPower may not be able to process or accept your application for New Shares.

Your personal information may be provided to NuPower's agents or service providers.

The types of agents and service providers that may be provided with your personal information include:

- the Share Registry for ongoing administration of the share register;
- printers and mail houses for the purposes of preparation and distribution of documents to you and for handling mail; and
- professional service providers such as lawyers, accountants, auditors and other professional advisers for the purpose of administering, and advising on, the New Shares and for any associated actions.

Your personal information may be provided to certain third parties. The types of third parties that may be provided with your personal information and the circumstances in which your personal information may be disclosed include:

- your financial adviser or broker (other than your tax file number information) in connection with services provided to you by your adviser or broker;
- government, regulatory authorities or other people when permitted or required by law, such as ASIC or people inspecting the Share register in accordance with the Corporations Act;
- ASX; and
- in certain circumstances and with safeguards to respect your privacy, potential or actual purchasers of an interest in NuPower or NuPower's business or any part thereof.

You have the right to gain access to your personal information held by, or on behalf of, NuPower, subject to certain exemptions under the law. You may be required to pay a reasonable charge in order to access your personal information. You can request access to your personal information by telephoning or writing to the Company Secretary as follows:

NuPower Resources Limited
Company Secretary
PO Box R1753
Royal Exchange
Sydney NSW 1225

7.6 Taxation implications

NuPower recommends that Eligible Shareholders obtain their own independent taxation advice regarding the possible taxation implications of the Rights Issue.

8. General Additional Information

8.1 Interests of advisers

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus have performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, do not have, and have not had in the two years before the date of this Prospectus any interests in:

- the formation or promotion of NuPower;
- property acquired or proposed to be acquired by NuPower in connection with its formation or promotion of the Rights Issue; or
- the Rights Issue,

and, other than as set out below or elsewhere in this Prospectus, no amounts have been paid or agreed to be paid and no other benefit has been given or agreed to be given to any persons named in this Prospectus as having performed a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, in connection with the formation or promotion of NuPower of this Rights Issue.

Gilbert + Tobin has acted as Australian legal adviser to NuPower in relation to the Rights Issue. Their fees for this work up to the date of lodgement of this Prospectus will be approximately \$10,000 (+GST). Gilbert + Tobin receives further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates. Gilbert + Tobin have provided other professional services to the Company during the last two years for which the Company has paid fees totalling approximately \$13,603 (+GST).

BDO Audit (NSW-VIC) Pty Ltd (“**BDO**”) were the Company's auditors for the period to December 2011 and resigned (following ASIC's consent) on 6 June 2012. BDO have provided audit services to the Company during the last two years for which the Company has paid or will pay fees totalling approximately \$88,300 (+GST). Grant Thornton Audit Pty Ltd (“**Grant Thornton**”) were appointed as the Company's auditors from 6 June 2012 for which the Company has paid or will pay fees totalling approximately \$29,750 (+GST). Grant Thornton acquired the partners and staff of BDO effective 1 May 2012. At this time, following ASIC approval Grant Thornton was appointed as auditor subject to ratification at the next AGM of NuPower.

8.2 Consents to statements in the Prospectus and consents to be named

Grant Thornton has given and, at the time of lodging this Prospectus with ASIC, has not withdrawn, its written consent to be named in this Prospectus as NuPower's Auditors in the form and context in which it is named in this Prospectus. Grant Thornton has also given and, at the time of lodging this Prospectus with ASIC, has not withdrawn, its written consent to the inclusion in Section 5.3 of this Prospectus of the audited statement of financial position of NuPower as at 30 June 2012 and to all references to the auditor's review report and the statement of financial position in the form and context in which those references appear in this Prospectus and has not withdrawn such consents before lodgement of this Prospectus with the ASIC.

Gilbert + Tobin has given and, at the time of lodging this Prospectus with ASIC, has not withdrawn, its written consent to be named in this Prospectus as Australian legal adviser to NuPower in relation to the Rights Issue in the form and context in which it is named in this Prospectus and has not withdrawn such consent before lodgement of this Prospectus with the ASIC.

Mr. Andrew Johnstone has given, and at the time of lodging this Prospectus with ASIC has not withdrawn, his written consent to being named in this Prospectus as a Competent Person in the form

and context he is named and the inclusion in this Prospectus of all statements and information relating to the interpretation of exploration results and geological results conducted by him as a Competent Person to the Company and to all references to those statements and information in the form and context in which they appear.

Mr. John Abbot has given, and at the time of lodging this Prospectus with ASIC has not withdrawn, his written consent to being named in this Prospectus as a Competent Person in the form and context he is named and to the inclusion in this Prospectus of all statements and information relating to mineral resources in respect of the Company's Arganara Project based on information reported by him as a Competent Person to the Company and to all references to those statements and information in the form and context in which they appear.

Mr. Ian Taylor has given, and at the time of lodging this Prospectus with ASIC has not withdrawn, his written consent to being named in this Prospectus as a Competent Person in the form and context he is named and to the inclusion in this Prospectus of all statements and information relating to mineral resources in respect of the Company's Eva Project based on information reported by him as a Competent Person to the Company and to all references to those statements and information in the form and context in which they appear.

Each of the parties named above jointly and severally:

- do not make the Offer;
- have not authorised or caused the issue of this Prospectus;
- do not make or purport to make, any statement in this Prospectus, or any statement in which a statement in this Prospectus is based, other than as specified above; and
- to the maximum extent permitted by law, expressly disclaim and take not responsibility for any part of this Prospectus other than the reference to their name or as otherwise specified above.

9. Authorisation

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC, or to the Directors knowledge, before any issue of New Shares pursuant to this Prospectus.

The Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each NuPower Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

The Prospectus is signed for and on behalf of NuPower by:



Robert Owen
Non Executive Chairman
NuPower Resources Limited

10. General Additional Information

Defined Terms

In this Prospectus and in the Entitlement and Acceptance Form, unless the context otherwise requires, the following terms have the meanings listed:

A\$ or \$	Australian dollars.
Application Monies	The monies received from persons applying for New Shares pursuant to the terms of the Rights Issue.
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ABN 98 008 504 532
ASX Settlement Rules	The ASX Settlement Operating Rules as amended from time to time, of ASX Settlement Pty Ltd ABN 49 008 504 532
Board	Board of Directors of NuPower at the date of this Prospectus.
Business Day	Has the meaning given to that term in the Listing Rules
CHESS	Has the meaning attributed to that term in the ASX Settlement Rules
Closing Date	5.00pm (Sydney time) on 27 November 2012 or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine.
Corporations Act	<i>Corporations Act 2001 (Cth)</i> .
Director	A director of NuPower.
Eligible Shareholder	A Shareholder on the Record Date whose registered address is in Australia or New Zealand.
Entitlement	An Eligible Shareholder's entitlement under the Rights Issue to subscribe for New Shares.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Prospectus.
Ineligible Foreign Shareholder	A Shareholder whose address in the register of members of NuPower is outside Australia and outside New Zealand.
JORC Code	Australasian Code for Reporting of Mineral Resources and Ore Reserves.
Listing Rules	The listing rules of the ASX
New Share	A Share that is issued under the Rights Issue pursuant to this Prospectus
NuPower or Company	NuPower Resources Limited ABN 91 120 787 859

NuPower Constitution	The constitution of NuPower
NuPower Options or Options	The right granted by NuPower to subscribe for unissued Shares
NuPower Shares or Shares	A fully paid, ordinary share issued in the share capital of NuPower
Offer	The offer to Eligible Shareholders to subscribe for New Shares under the Rights Issue pursuant to this Prospectus.
Placement	The placement announced by NuPower on 7 August 2012 of 62,500,000 Shares at an issue price of \$0.016 per Share.
Placement Shares	The 62,500,000 Shares issued at an issue price of \$0.016 per Share placed under the Placement.
Prospectus	This prospectus dated 23 October 2012 for the pro-rata non-renounceable rights issue of up to 127,955,776 New Shares on the basis of one (1) New Share for every four (4) Shares held on the Record Date, at an issue price of \$0.016 per New Share, for the purpose of raising approximately \$2,047,292 less expenses of the Rights Issue.
Record Date	5.00pm (Sydney time) on 7 November 2012
Rights Issue	A pro rata non-renounceable offer to Eligible Shareholders to subscribe for New Shares at the price of \$0.016 per New Share on the basis of one New Share for every four Shares held at the Record Date for the purpose of raising approximately \$2,047,292 less expenses of the Rights Issue.
Section	A section of this Prospectus.
Share Registry	Security Transfer Registrars Pty ABN 95008894488
Shareholders	A registered holder of a Share.
Shortfall Shares	Those New Shares offered under the Rights Issue but not applied for by Eligible Shareholders under their Entitlement.

Interpretation

In this Prospectus and in the Entitlement and Acceptance Form, unless the context otherwise requires:

- (a) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words importing a gender include any gender;
- (c) words importing the singular include the plural and vice versa;
- (d) an expression importing a natural person includes any company partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a section is a reference to a section of this Prospectus;
- (f) a reference to a statute, regulation, proclamations, ordinances or by-laws includes a reference amending, consolidating or replacing it, whether passed by the same or another government agency with legal power to do so, and by a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under statute;
- (g) headings and boldings are for convenience only and do not affect the interpretation of this Prospectus;
- (h) a reference to time, unless otherwise stated, is a reference to Sydney time;
- (i) a reference to writing includes email and facsimile transmissions; and
- (j) the words “resource” and “reserve”, whether capitalised or not have the same meaning as in the JORC Code.

NuPower Corporate Directory

Directors	Robert Owen Non -Executive Chairman
	Andrew Johnstone Managing Director
	Ian Kowalick Non-Executive Director
	Irvin (Mick) G Muir Non-Executive Director
	Samuel Herszberg Non-Executive Director
Company Secretary	Anthony Schildkraut
Registered Office	Level 3, 80 Clarence Street Sydney NSW 2000 Telephone: +612 9262 4235 Facsimile: +612 9262 6301
Website	www.nupowerresources.com.au
*Share Registry	Security Transfer Registrars Pty Ltd 770 Canning Highway Applecross WA 6153
Stock exchange	ASX (Home Branch – Perth) ASX Code: NUP
Solicitors	Gilbert + Tobin 1202 Hay Street West Perth WA 6005
Auditors	Grant Thornton Audit Pty Ltd Level 17, 383 Kent Street Sydney NSW 2000

* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only