



Arganara Maiden JORC Resource

- **310 Million tonnes @ 15% P₂O₅ (Inferred, 10% cutoff)**
- **120 Million tonnes @ 18% P₂O₅ (Inferred, 15% cutoff)**

NuPower Resources Limited (NuPower) is delighted to announce the definition of a Maiden Resource Estimate at its 100% owned Arganara Phosphate Prospect in the Northern Territory of Australia. The resource is located approximately 350km north north-east of Alice Springs, and is only 90km due east of the Central Australian Railway that links Darwin to the southern cities of Adelaide, Melbourne and Perth.

The resource has been estimated by MPR Geological Consultants and is reported in accordance with the Joint Ore Reserves Committee Code (JORC). The estimates are based on 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 estimate covers an area 27.8km² with an average thickness of 7m (Fig. 1)

Table1: Arganara resource estimates August 2012

Cut off P ₂ O ₅ %	Tonnes Million	P ₂ O ₅ %	Al ₂ O ₃ %	CaO %	Fe ₂ O ₃ %	K ₂ O %	MgO %	MnO %	Na ₂ O %	SiO ₂ %	TiO ₂ %	U ppm	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

NuPower managing director Andrew Johnstone commented "We have been working very hard over the past 12 months to complete the drilling necessary to define a JORC resource at Arganara. Our team has done a great job with a modest budget. We will now focus on assessing the richest zones for potential DSO mineralisation. Metallurgical testing is underway and we hope to be able to submit a 'notice of intent' shortly, which is the first step in applying for a mining lease"

Future infill drilling on the Arganara Resource will focus on the substantial Direct Ship Ore (DSO) grade intersections (+30% P₂O₅) already reported, for example **35.4% P₂O₅** in drill hole ARC606. NuPower is targeting a DSO resource in the next phase of drilling at the Arganara Prospect.

The new Arganara Inferred Resource Estimate of **310mt @ 15% P₂O₅ (10% cutoff)** is one of the largest unexploited phosphate discoveries in Australia.

15th August 2012

ASX Code: NUP

Capital Details

Shares on issue: 511.8 mil

Share Price: \$0.027

Market cap: \$13.8 mil

Directors

Chairman

Robert Owen

Managing Director

Andrew Johnstone

Non-Executive Directors

Ian Kowalick

Sam Herszberg

Mick Muir

Company Secretary

Anthony Schildkraut

Phosphate Projects

Arganara

Lucy Creek

Warrabri

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

Arganara Madien JORC Inferred Resource

The Arganara Inferred Resource has been estimated by MPR Geological Consultants and is reported in accordance with the Joint Ore Reserves Committee Code (JORC). The estimates are based on 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 with an average thickness of 7 m. (Fig. 1 & 3). 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.

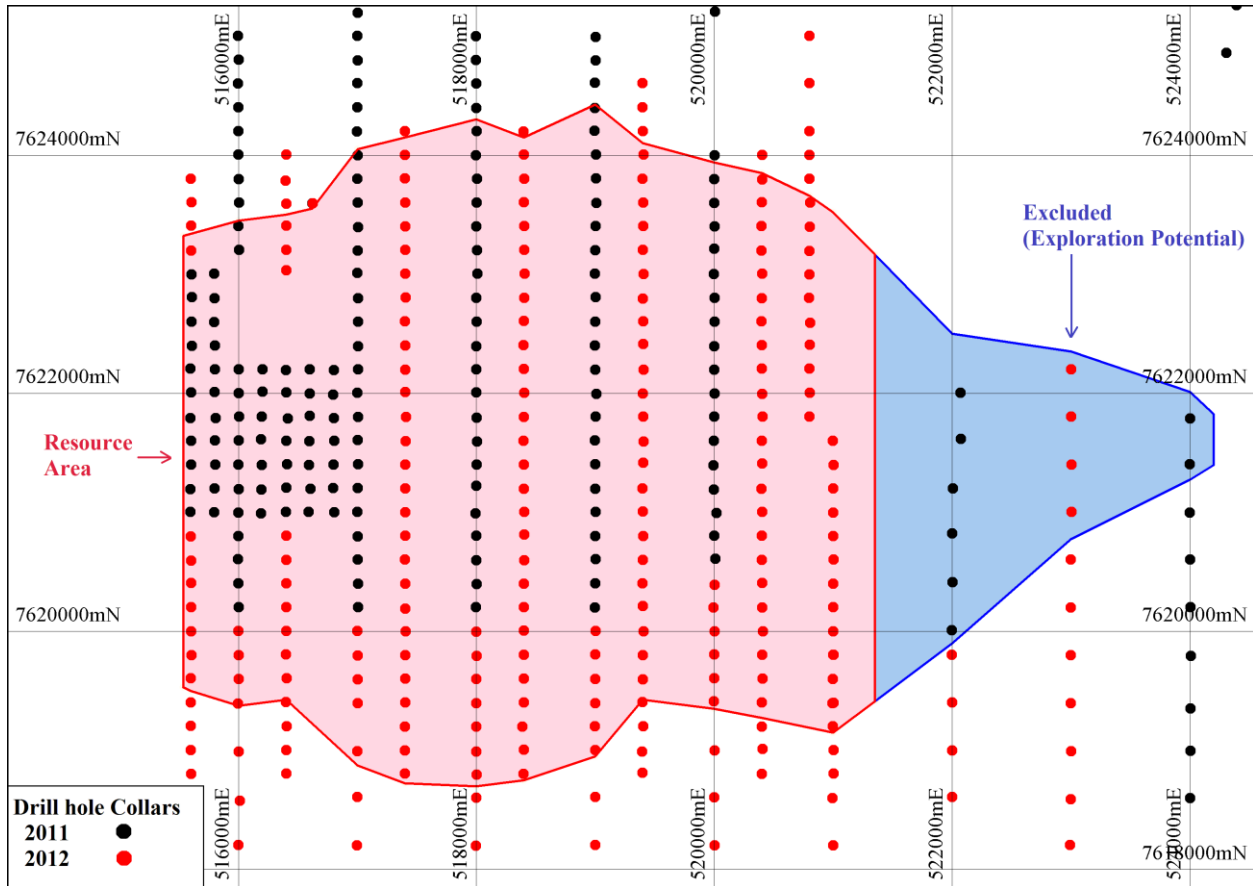


Figure 1: New Arganara JORC Resource shown as pink polygon (area 27.8km²) over 2011 and 2012 RC drill hole locations. The blue polygon represents an area estimated as having exploration potential.

The resource includes a current high grade component of **4mt @ 23% P₂O₅ at 20% cutoff** which is restricted to the area of 200 by 200m drilling. With further infill drilling across the resource NuPower expects this component of the resource to grow significantly. Additionally NuPower intends to target DSO (+30% P₂O₅) infill drilling in its next phase of drilling at Arganara.

MPR estimated that mineralisation to the east of 523,150 mE (Fig. 1) which has been tested only by broadly spaced drilling, has exploration potential of approximately 30 to 60 million tonnes of phosphate mineralisation at a P₂O₅ grade of around 10 to 15%. These estimates are conceptual in nature, and have

had insufficient exploration to estimate a Mineral Resource. It is uncertain if future exploration will result in determination of a Mineral Resource. NuPower intends to infill this area to an adequate drilling density during the next phase of work to enable it to be potentially added to the Arganara Resource Estimate.

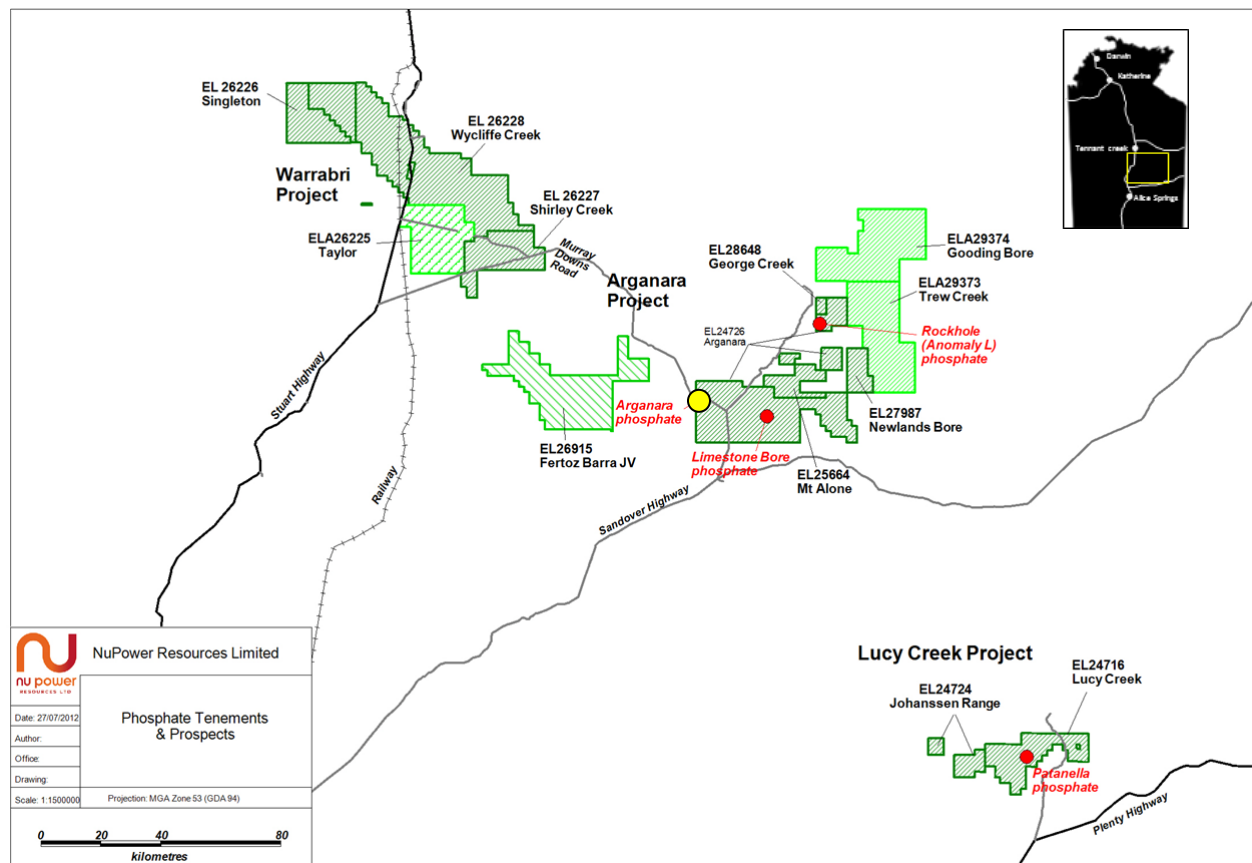


Figure 2: NuPower Phosphate Tenements, Northern Territory. Yellow dot shows location of new Arganara Resource. Approximately 90km east of the rail line.

The new Arganara Inferred Resource Estimate is one of the largest unexploited phosphate discoveries in Australia. When added to the remaining potential along the 27km phosphate corridor discovered by NuPower in 2011 (located between Arganara Prospect and Limestone Bore), it could be one of the largest undeveloped phosphate plays in the world (see Fig.3).

Although not an immediate focus there is reason to believe significant tonnages of phosphate will be defined through additional drilling along the corridor in the future, especially in the Central Arganara area where **27% and 30% P₂O₅** intersections were reported from 2011 Phase 2 drilling.

In addition to the Arganara Corridor NuPower has a pipeline of other significant phosphate projects including Rockhole Bore which is only 20km to the north-east of the Arganara Resource and the Patanella Phosphate Prospect located on the Lucy Creek Project 150km to the south-east of Arganara where drilling returned spectacular intersections including **10m @ 32% P₂O₅** in 2009.

Over the coming months NuPower intends to apply for a mining lease at Arganara whilst continuing with meturgical testing and other scoping work. NuPower looks forward to keeping the market updated as results are received.

The definition of the Arganara Resource should now allow for clear benchmarking of NuPower against other Phosphate focused resources companies and enable NuPower to more seriously engage with potential partners and various investment groups to accelerate development of the Project.

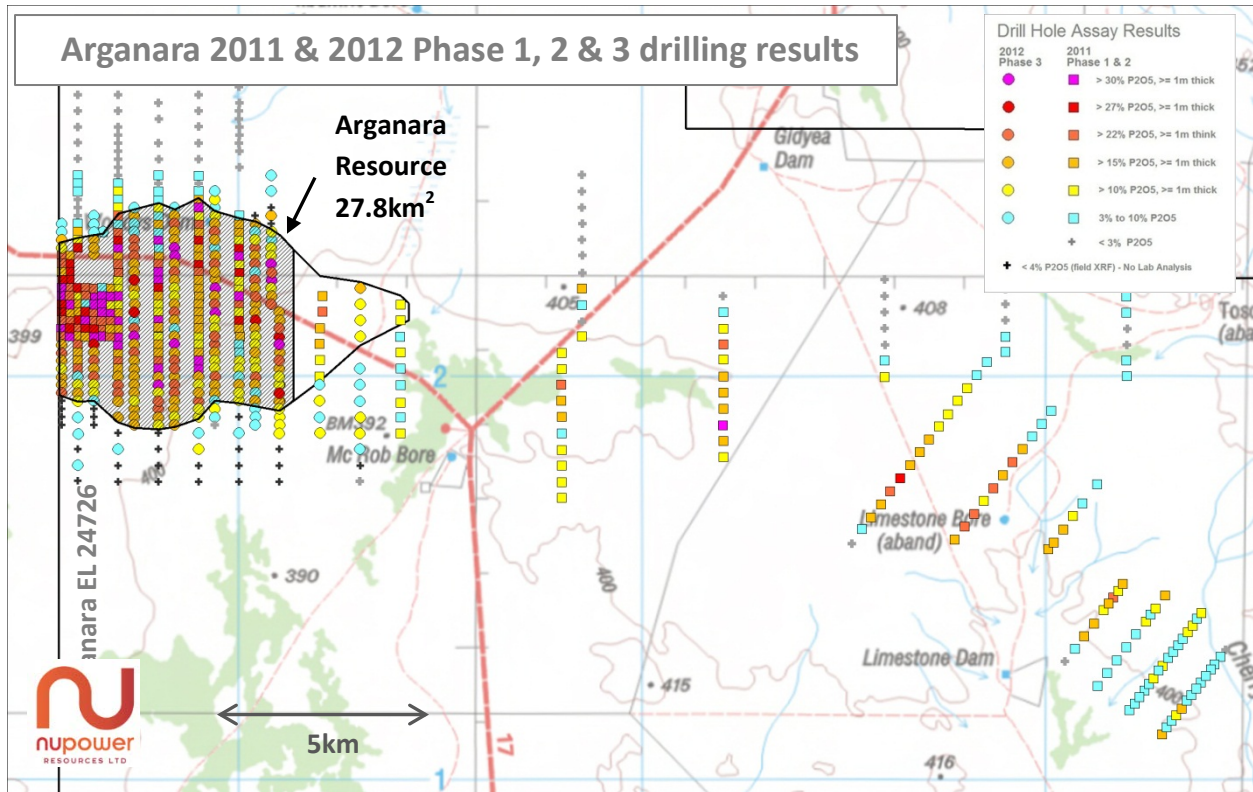


Figure 3: Arganara Phase 1, 2 & 3 assays results shown with new Arganara Resource superimposed over the Arganara Prospect area. The potential of the Central Arganara to deliver a second resource through further drilling seems clear in view of the high grade intersections already reported in 2011.

Andrew Johnstone

Andrew Johnstone
Managing Director

The information in this report that relates to 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 his information in the form and context in which it appears.

The information in this document 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 his information in the form and context in which it appears. If this release contains forward-looking statements, the actual results could differ materially from a conclusion, forecast or projection in the forward-looking information. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information.

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