



24th July 2012

ASX Code: NUP

Capital Details

Shares on issue: 449.3 mil

Share Price: \$0.022

Market cap: \$9.8 mil

Directors

Chairman

Robert Owen

Managing Director

Andrew Johnstone

Non-Executive Directors

Ian Kowalick

John Jackson

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.

Further Arganara Phase 3 Infill Drill Results

- Results for an additional 66 holes received
- Consistent high grade phosphate intersections indicated

NuPower is pleased to announce that the second batch of assay results from Phase 3 extension and infill drilling at Arganara Prospect has returned further high grade phosphate intersections. These latest results confirm the consistent nature of the phosphate mineralisation between the drill lines from the 2011 Phase 1 program.

NuPower has received lab analysis for a further 66 holes of its 249 hole Phase 3 program. The new results mostly consist of infill of the Phase 1 drilling from 2011, and add infill into areas of the extension results released on the 3rd of July 2012.

Highlights from the second batch of the Phase 3 drill assay results include:

ARC544: 7m @ 23.2% P₂O₅ from 24m including 1m @ 30.9 P₂O₅

ARC547: 4m @ 24.9% P₂O₅ from 27m including 1m @ 33.0 P₂O₅

ARC567: 5m @ 22.5% P₂O₅ from 14m including 1m @ 31.4 P₂O₅

ARC568: 3m @ 26.3% P₂O₅ from 14m including 1m @ 30.0 P₂O₅

ARC579: 4m @ 22.8% P₂O₅ from 22m including 1m @ 30.1 P₂O₅

NuPower is pleased to see adjacent shallow, high grade +30% P₂O₅ intersections beside the Murray Downs Road on Drill line 518400E, a potential area for Direct Ship Ore (DSO) production. Figure 1, Phase 3 results against the 2011 results clearly shows the footprint increase and consistent nature of the phosphate grades between drill lines from the 2011 phase 1 drill program.

The primary aim of Phase 3 drill program is to establish a maiden JORC Mineral Resource for the Arganara Prospect by extending and infilling the 2011 Phase 1 and 2 drill programs. Integration of the Phase 3 results into the preliminary resource model, already completed using the data from the Phase 1 and 2 drill programs, will enable swift estimation of a maiden JORC resource.

NuPower looks forward to announcing final drill assays as they are returned over the coming weeks.

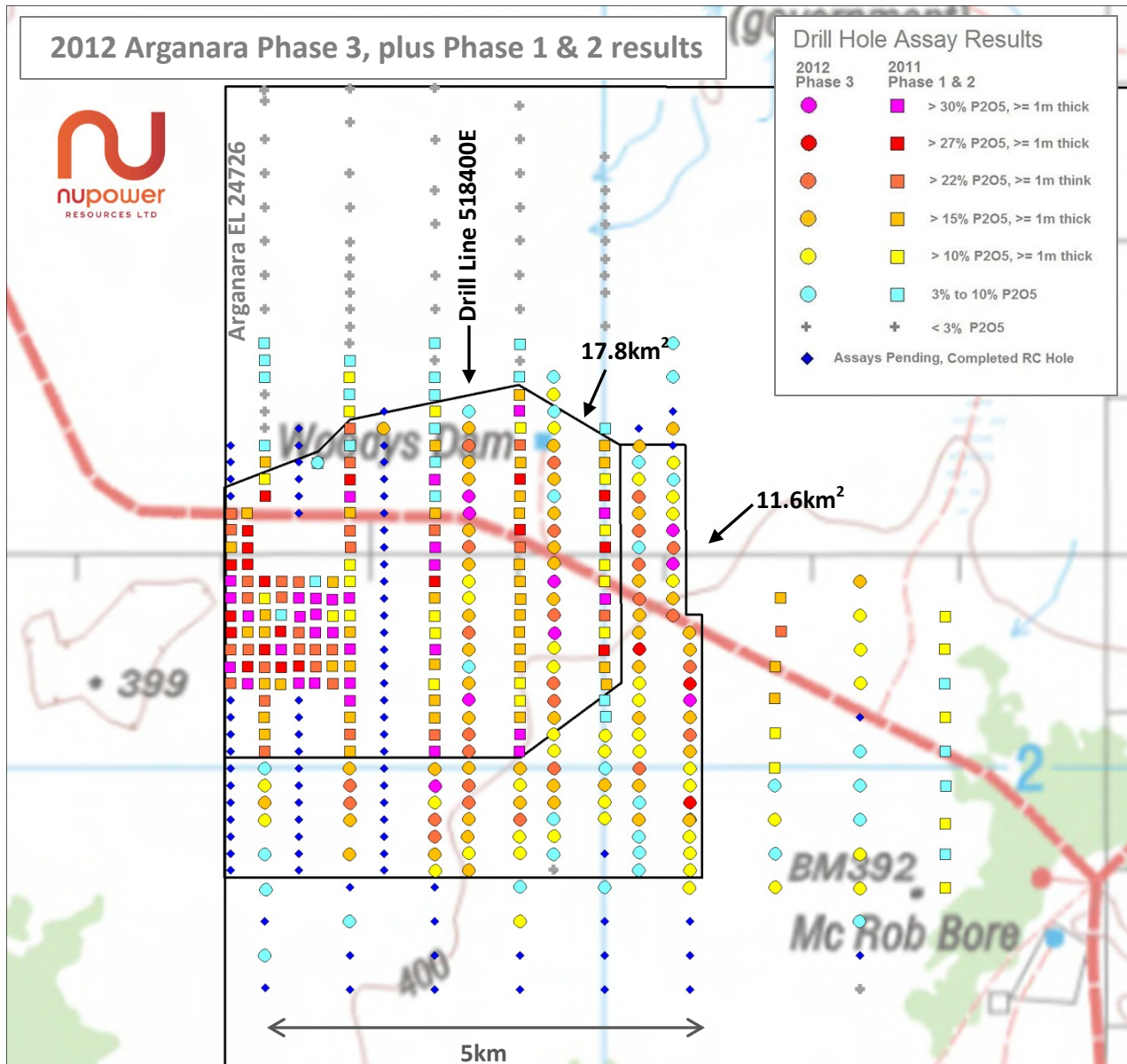


Figure 1: Arganara Phase 3 assay results shown with 2011 Phase 1 and 2 drill results. The black polygons show the increase in the Phosphate footprint from 17.8km² to 29.4km²

Andrew Johnstone

Andrew Johnstone
Managing Director

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Andrew 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'. Andrew 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. 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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Rock Phosphate

Phosphate Rock or Rock Phosphate is a sedimentary rock which contains high amounts of phosphate bearing minerals, usually calcium phosphate (apatite). The Phosphate is typically reported as a percentage of phosphorus pentoxide (P_2O_5). Phosphate Rock or Rock Phosphate typically contains 10 to 20% phosphate (P_2O_5), Normal sedimentary rocks usually contain less than 0.2% phosphate (P_2O_5).

Deposits which contain phosphate in grades which are economic to mine are not particularly common. The two main sources for phosphate are:- guano, formed from bird droppings; and rocks containing concentrations of the calcium phosphate mineral apatite, either sedimentary or igneous. The largest use of phosphate is in the production of fertilisers for food production.

The majority of Australia's phosphate reserves lie within the sedimentary Georgina Basin located in northwest Queensland and northeast Northern Territory. All NuPower's Phosphate projects are located in the Georgina Basin in the Northern Territory.

For fertiliser, phosphate rock or its concentrates preferably need to have phosphate levels of 30% (P_2O_5). Worldwide, the resources of high-grade ore are declining, and the beneficiation of lower grade ores by washing, flotation and calcining is becoming more widespread.

Phosphate is the key ingredient in: Superphosphate, Triple Superphosphate (TSP), Monoammonium Phosphate (MAP) and Diammonium Phosphate (DAP) Fertilisers.

Global consumption of rock phosphate continues to increase in demand for fertiliser production. According to the May 2011 forecast of the IFA Agriculture Committee, global fertiliser demand is projected to expand at an average annual rate of 2.4%, from 2010 to 2015. Current world prices for rock phosphate have remained stable around US\$180 to US\$200 per tonne (FOB) during 2012.

Currently the world's largest producers of Rock Phosphate are China, America and Morocco. Growth in the global Rock Phosphates market is expected to stem largely from growing populations and increased food requirements in the Asia-Pacific, Latin America, and the Middle Eastern Regions.