



3rd May 2012

ASX Code: NUP

Capital Details

Shares on issue: 449.3 mil

Share Price: \$0.029

Market cap: \$13.0 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.

Arganara Phase 3 Phosphate Drilling Commences

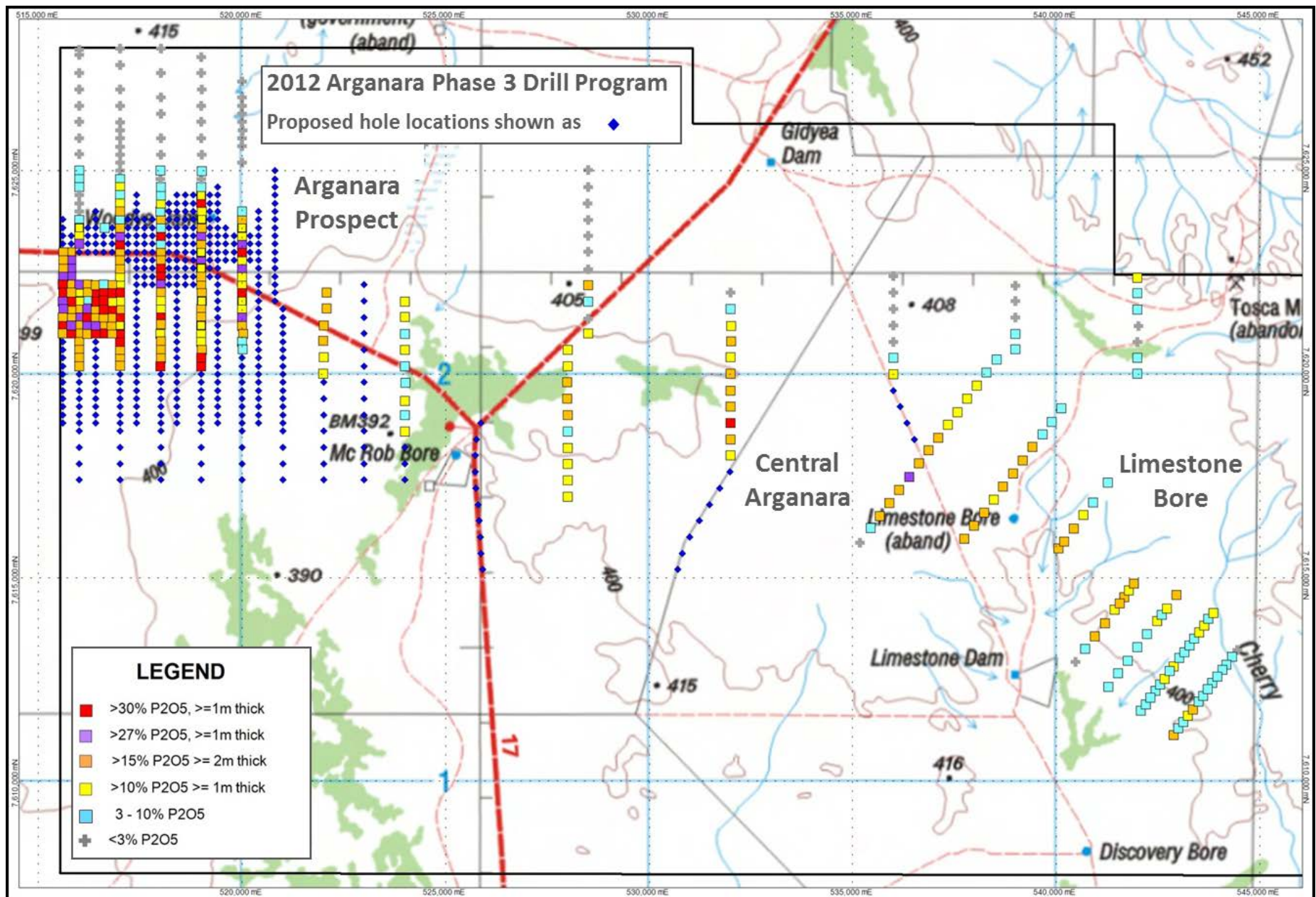
Reverse Circulation (RC) Drilling has commenced on NuPower's 100% owned Arganara Phosphate Project in the Northern Territory.

NuPower's Phase 3 Arganara drill program will consist of approximately 320 holes for 8000m of drilling over the next 6 to 8 weeks. The primary aims of the Phase 3 program is to infill and extend the 2011 Phase 1 drill program with a view to establishing a maiden JORC resource for the Arganara Prospect. Preliminary resource modeling has already been completed using assay results from the 205 hole Phase 1 program, this initial work will enable swift integration of the Phase 3 results into the resource model when assays are received back from the labs.

Preparations for drilling over the last few weeks have included re-establishment of the fully equipped containerized Arganara field camp, grading access tracks and new drill lines, and general site preparation.

The 2012 Phase 3 Arganara Drill program may be divided into 4 key components:

- **Infill between the existing 1km drill lines to refine the preliminary Arganara Prospect resource for release as a maiden JORC resource.**
- **Extension drilling to the south and east of the 2011 Phase 1 drill program at an adequate density so results can be included/added to the Arganara Prospect resource model.**
- **Infill 200x200m spaces holes over the shallowest high-grade phosphate zones defined along the Murray Downs road, that were discovered during the 2011 phase 1 drill program. It is hoped that the 200x200m drilling will confirm this zone as a priority for future DSO development.**
- **Three fences of holes aimed at extending 2011 Phase 2 footprint at Central Arganara, located approximately 14km east of Arganara Prospect.**





Bullion Drilling Setting up Rig for first RC hole, Arganara Phase 3 Program – May 2012



Arganara Camp 2012, looking North - North West – May 2012

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Assessment of field based hand held XRF results vs lab assay results from the 2011 Phase 1 drill program has shown field XRF has performed well in determining the phosphate grade on site whilst drilling.

Hand held field XRF units will now be used during the Phase 3 program to quickly assess phosphate grades in each hole to determine intersections to be sent for traditional lab analysis. This will both reduce the number of samples being submitted for lab analysis and subsequent assay cost for the program. The field XRF units will also be used in conjunction with traditional methods to determine when to stop holes once mineralisation is closed off, refine which holes and in what order they are drilled. These measures should reduce the number of un-mineralised meters drilled and will reduce costs.

The field XRF unit is an Olympus Innov-X Delta specifically calibrated for Phosphate and light elements. The XRF results are only an indication of phosphate present and Lab based XRF analysis being carried out by ALS in Brisbane which will determine final grade in all mineralised samples collected.

NuPower expects assay results to be returned swiftly from the labs this year, largely through initiating field work earlier in the season and submitting less samples for analysis by the labs.

Signed:



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.