



NuPower Resources Limited (ASX: NUP)

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NUPOWER DISCOVERS NT PALEO-DRAINAGE SYSTEMS

NuPower Resources Limited (NUP) announces evidence for extensive palaeo-drainage systems within its Aileron group of exploration licences, approximately 80-140km north and north-east of Alice Springs (NT).

Preliminary data (prior to inversion to conductivity) from a 6569 line km airborne Tempest electromagnetic (EM) survey flown by Fugro Airborne Surveys point to buried structures in each of the surveyed areas.

These have been interpreted as palaeo-channels, through which uranium bearing ground waters have and continue to flow, and palaeo-lakes that continue to receive ground water via the palaeo-channel systems. Both the palaeo-channels and palaeo-lakes were formed from alluvium derived from the nearby uraniferous granites and gneisses of the Arunta and Strangways Complexes.

“These encouraging results support NuPower’s early decision to proceed quickly with an airborne survey. This now places the company as a leading uranium explorer among the juniors,” said NuPower Managing Director, Dennis O’Neill.

“With an extensive array of tenements with early evidence of palaeo-drainage systems adjacent to known uraniferous source rocks analogous to the Mt Painter/Beverley/Beverley Four Mile deposits in South Australia, NuPower is well positioned in Central Australia to forge ahead with its exploration program for secondary uranium deposits ” he added.

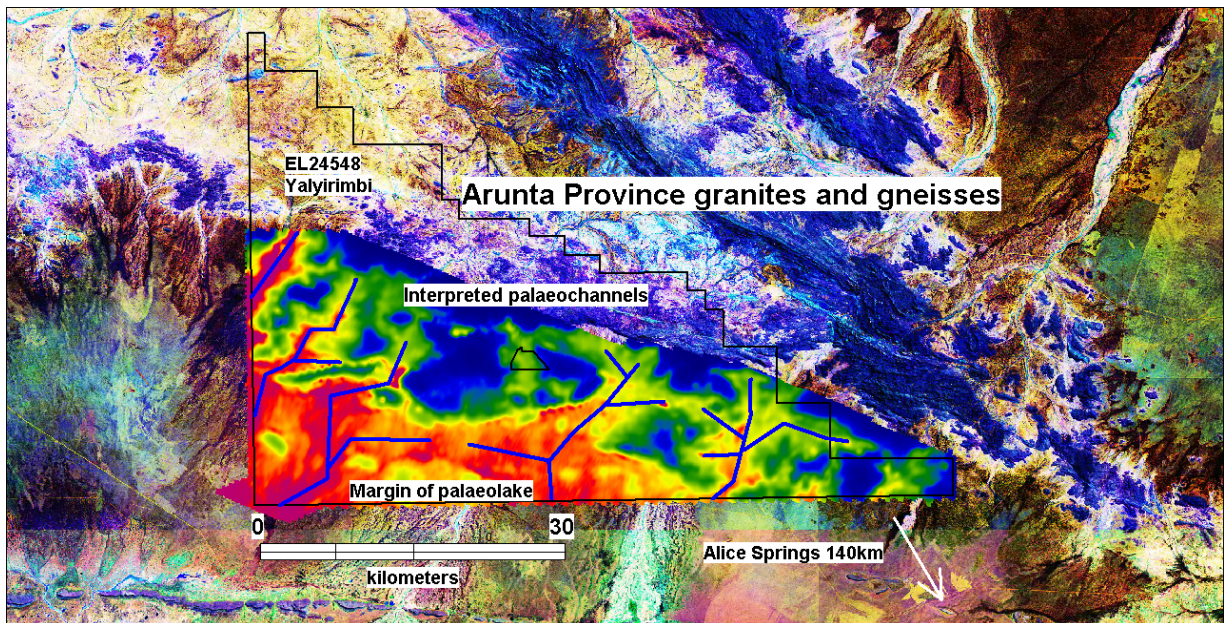
Level 4, 16 St Georges Tce, Perth WA 6000
STREET ADDRESS
PO Box 3047, Adelaide Tce, Perth WA 6832
MAIL ADDRESS

+61 8 9221 7666
TELEPHONE
+61 8 9221 7966
FACSIMILE

info@nupowerresources.com.au
EMAIL
120 787 859
ACN

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NuPower's Yalyirimbi licence (EL24548), lies to the south west of the Reynolds Range between the uraniferous granite and gneiss source rocks of the Arunta Province and the known calcrete-hosted uranium resource at Napperby (Deep Yellow, joint ventured to Toro Energy). The following diagram, representing approximately 20% of the total area of the survey, shows the preliminary intermediate fixed time EM response for the Yalyirimbi survey with the interpreted channel structures highlighted.



NT Exploration Licence 24548 (Yalyirimbi) and Interpreted Palaeo-Drainage Systems

These exciting results now provide NuPower with a series of potential host structures within which it believes there is excellent potential for the development of secondary uranium deposits. The company is proceeding with a regional ground water sampling program that measures physical and chemical characteristics in the search for changes that could indicate sites of uranium deposition. The company is also investigating the use of vegetation geochemistry to assist with refining targets for drilling. This work, together with the possible use of ground geophysics will take the remainder of 2007 and into 2008 to complete and interpret before drilling can be considered.

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All of the NuPower ELs that were surveyed in June and July 2007 contain elements of these paleo-drainage systems and that data, along with indications of the depths of these structures below surface, will be released as final processed information becomes available.

“NuPower is now discussing joint venture (JV) opportunities with holders of neighbouring tenements to enable it to carry out more extensive follow-up airborne surveys in 2008,” said Mr O’Neill. “Any successful JV outcomes will be reported as they arise.”

For further information contact:

Dennis O’Neill, Managing Director
Sydney, Australia +61 (2) 8247 5311

Warrick Rafferty, Exploration Manager,
Darwin, Australia +61 (8) 8941 1405

Or visit our web site at www.nupowerresources.com.au

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

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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