



# ASX ANNOUNCEMENT

## Quarterly Activities Report

### June 2010

#### Highlights

- **Access and Drilling arrangements for Cobar II progressed**
- **Joint Venture formalising Exploration Program for Lagoon Creek**
- **Reconnaissance ongoing on Aileron Project Tenements**

The major activities for the quarter consisted of planning the dry season exploration programs for the Company's Westmoreland projects, and undertaking a strategic review of the tenement packages comprising our central Australian projects, with a view to rationalising and prioritising future field activities on them. Both areas activities were significantly affected due to extensive rains.

#### Westmoreland Project Areas – Eva/Cobar II/Lagoon Creek

The major focus for the upcoming field season is the drilling of the CobarII uranium/platinum group metals prospect. The CobarII project forms part of NuPower's tenement position in the Westmoreland uranium province which includes Eva and Lagoon Creek.

CobarII (like Eva) has a history of small scale mining of high grade uranium. Whilst not a lot of historical information is available, some 78 tons of handpicked material grading 10.25% uranium was reportedly treated at the Rum Jungle plant.

Activities included negotiations with joint venture partners, the relevant Land Council and Traditional Owners to confirm access to the tenements.

ASX Code **NUP**

#### Capital Details

Shares on issue 271,458,483  
Share Price \$0.045  
Market cap \$12.2 mil

#### Directors

##### Executive Chairman

Mick Muir

##### Non Executive Directors

Ian Kowalick

Robert Owen

John Jackson

##### Company Secretary

Anthony Schildkraut

#### Projects

**Westmoreland:** Eva/Cobar II and

Lagoon Creek- Uranium/Gold

**Lucy Creek/Arganara-**Phosphate

**Aileron -** Uranium

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

Eva was drilled during the previous dry season with high grade gold and uranium being reported. A reinterpretation of results indicates that there is potential for continuation of gold mineralisation that is not associated with the uranium. Diamond core and percussion material not previously assayed will be collected as soon as access is possible and prepared for analysis.

The Company will also commence metallurgical test work on Eva samples to determine an appropriate method of gold and uranium extraction. Previous investigations undertaken by the South Australian Mines Department in the 1950s demonstrated that the uranium was recoverable by simple acid leach, however there are no reports on gold extraction.

Lagoon Creek is a 50/50 joint venture with Canadian explorer Laramide Resources. NuPower and Laramide are finalising an exploration program at Lagoon Creek for the forthcoming dry season. Previous exploration by the joint venture has resulted in significant uranium mineralisation intersections in 12 of 23 holes drilled, the best being 0.18% (3.9 lbs per ton).

### **Aileron and Warrabri – Uranium**

Exploration activity on the Central Australian uranium project was adversely affected by unseasonal wet weather. The program being completed is designed primarily to prioritise the areas within this very large tenement package for future exploration focus. This has resulted in a number of the company's joint venture arrangements on tenements being rationalised and reviewed.

NuPower has withdrawn from the Native Gap Joint Venture with Excelsior Gold, and is currently finalising a revision of our Joint Venture with Western Desert Resources on the Bushy Park tenements.

Assay results of the water samples collected at our Warrabri project were received and are being processed by the company's exploration staff.

### **Lucy Creek/Arganara – Phosphate/Uranium**

Over the quarter the company continued to assess the phosphate/fertilizer potential of these two projects.

### **Corporate**

Over the Quarter, NuPower strengthened its exploration team by appointing an additional geologist on a full time basis, together with one experienced field operator under an initial contract for the coming field season.

The company is now well placed to undertake the busy field season ahead.

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## URANIUM PRICE

Whilst the spot price for uranium has been under pressure for some time, a 10% increase from \$41.75(US) to \$46.00(US) per lb was reported by UXC Uranium consultants on Monday 26 July. The recent price weakness was in our opinion, almost entirely due to the extension of the reprocessing agreement of former weapons grade material from Russia by the United States. The recent strengthening in the Uranium spot price may finally be reflecting the continuing growth in the nuclear power generation industry being currently experienced globally. The following world map shows current and planned nuclear power plants and highlights the potential for the industry to double in size in the relatively near future.

### MAJOR REGIONAL OPERATING & PLANNED NUCLEAR REACTORS



Data Source: [www.world-nuclear.org](http://www.world-nuclear.org)

NuPower will continue to focus on its exciting high grade projects in an industry that is continuing to grow rapidly.

**I.G Muir**  
**Executive Chairman**

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*The release may contain 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.*