



**ASX Code** NUP

**Capital Details**

Shares on issue 271,458,483  
Share Price \$0.043  
Market cap \$11.6 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  
**Aiferon** – Uranium/ REE's Focus

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

**ASX ANNOUNCEMENT / MEDIA RELEASE**

**Chairman's Address to the Annual General Meeting**

**23 November 2010**

Dear Shareholders

We all share the concerns of relatives and friends of the miners in New Zealand. Such occurrences are a stark reminder of the hazards of our industry and demonstrate the need for what we generally term "safe mining practice" which needs to be carried out in all facets of our operations.

NuPower has had a successful year in terms of geological exploration, however the proposed Resource Rent Tax and political posturing over uranium mining in the Northern Territory add a dimension of uncertainty to the minerals industry and have a disproportionate effect on the junior end.

The highlight of the year was obviously the successful drilling program at Eva. This exercise was carried out under difficult circumstances, being the first real geological undertaking in this very remote and challenging area for some 50 years.

The results justified our enthusiasm for the project, with some of the highest uranium grades reported for many years, accompanied by gold grades which by themselves border on commercial viability.

The assay results announced this morning of the "re-sampling" of drill core and cuttings for gold mineralisation complete last years Eva exploration program and so will enable a resource calculation to be completed.

After we receive and review the data from this exercise, the Company will assess options for the project, one of which will be a small, stand-alone mining operation.

In regard to the above, the short program at Cobar 11 did not meet our expectation and offers limited opportunity for additional feed for an Eva based operation.

In looking at the potential for commercialization of Eva, we are encouraged by the recent apparent break-out on the up-side of the spot uranium price along with the very strong gold market. Shareholders would be aware that uranium spot price has risen to almost \$60 US per lb, from just over \$40 US a few months ago and gold is well above \$1300 per ounce.

Your Company continues to consider the phosphate potential from the central Australian projects of Lucy Creek and Arganarra worthy of further exploratory and metallurgical test-work. Exploration teams have just finished what will probably be the last field work for the season and we await recommendations for follow up activity.

We take note of a number of international commentaries which forecast a growing demand for agricultural products, leading in turn to an increase in phosphate based fertiliser demand.

In our last quarterly report, we advised that the "Strangways" joint venture had been re-negotiated. The project, comprising two tenements, SEL 25055 and SEL 25056 are held by Flinders Diamonds (diamonds only) and Maximus Resources Limited (all minerals), with NuPower originally farming in on uranium.

Following NuPower geologists identifying a series of pegmatites (considered potential primary sources for rare earth elements and other minerals) the Company and Maximus have agreed on a variation to allow NuPower to earn interests in all minerals, other than diamonds.

As announced this morning, assays from rock chip samples confirmed the presence of rare earth surface mineralization.

The Company is sufficiently encouraged by the results to undertake further surface sampling and mapping as a pre-cursor to planning a drilling program.

Assays as reported were up to 9306 ppm total REE ( equivalent to 9 Kg per tonne) and averaging just over 4500 ppm total REE (equivalent to 4.5 Kg per tonne).

The distribution of the elements follows a normal light REE pattern with cerium making up 45.55%; lanthanum 22.2%; neodymium 18.94%; praseodymium 5.16% samarium 2.79% and yttrium 2.14% of the total.

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It should be noted that the current rare earth prices are such that the in-ground values of the rare earth elements as quoted above is in the order of \$300 per tonne.

It is your Company's opinion that the well publicised impending shortage of REE will elevate this project to one of strategic importance.

Most shareholders of NuPower would be aware of my long involvement in the rare earth element "story" through my association with Arafura Resources.

It is my opinion that whilst there may be a "stock market bubble" the demand for these commodities is only going to increase, and the prices will follow.

In the United States Geological Survey Bulletin in 2002 the headline stated "Rare Earth Elements-Critical Resources for High Technology".

In that bulletin, the USGS warned that their country had given up its dominant position to China and that many of their specialist industries were at risk.

They have only just heard the penny drop.

There have been a number of recent announcements about REE occurrences by junior companies in recent days. Shareholders should be aware that the key to commercialisation is not discoveries but recoveries. Your Directors are aware that a successful metallurgical processing route and access to a refining plant is necessary before any real progress can be made.

In conclusion, your Directors are confident that NuPower is well placed to take advantage of the strengthening markets for our major product projects of uranium, gold, phosphate and rare earths.



**I G (Mick) Muir**  
**Executive Chairman**

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