Well, basically my Assembly window looks the same.
My entrys are:
Package nests: "C:\Program Files\upp2\examples;C:\Program Files\upp2\uppsrc"
Output Directory: C:\Program Files\upp2\out

My build methods are a bit different.
In path, include and lib there are all the settings you have, but I include more things, needed by other programs.
I can't post them, because they are firm intern, but I don't think they are needed to compile U++.
Nevertheless, they have nothing to do with blitz.cpp or any .pdbs