

ANNOUNCEMENT

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Nullagine Gold & Antimony Project / Antimony Factsheet

Antimony (Sb) metal has recently broken through the **US\$12,000 per tonne** (US\$5.65/lb) price level.

Northwest's **Nullagine Gold & Antimony Project** has a current JORC resource of **459,000t @ 1.54% Sb for 7,150t of contained antimony metal** and ongoing exploration of the high-grade Blue Spec Shear presents the Company with significant potential to expand this resource.

Antimony is a metal with a wide variety of industrial applications and is present in many products in everyday use. Antimony metal prices have risen from a 20 year low of around US\$1,000 per tonne in 2001 as a result of continuing supply and demand imbalances.

In June 2010, the European Commission identified 14 minerals (including rare earths) critical to European industry. Of these 14 minerals, **antimony was assessed as the third most critical** on account of supply risk and economic importance.

The current price of antimony compares very favourably to:

- copper - US\$3.80/lb
- zinc - US\$0.95/lb
- lead - US\$1.00/lb

Northwest believes that antimony credits from future gold production at the Nullagine Gold & Antimony Project have the potential to increase overall project revenues by up to 10-15%, resulting in substantially reduced future production costs.

Attached to this announcement is Northwest's **Antimony Factsheet** which provides shareholders and investors with information on this valuable metal. More information on antimony is available at Northwest's website: www.nw-resources.com.au/project_information/antimony.

For more information please contact:

John Merity
Managing Director

Tel: +61 2 9267 7661
Email: jmerity@nw-resources.com.au

Sources: All metal prices quoted are sourced from www.metalprices.com as at 3/12/2010



Antimony in the form of stibnite from the Blue Spec Shear

ANTIMONY

Antimony is a metal with a wide variety of industrial applications and is used in many everyday products.

Uses of antimony

Antimony's major use (in the form of antimony trioxide) is as a flame retardant in children's clothing, toys and plastics for the construction industry.

Antimony is also used in standard car batteries to extend battery life and to enhance the efficiency of the production process for PET plastic containers used for drink bottles.

Minor uses of antimony include ammunition, fireworks, pharmaceuticals, pesticides and fluorescent light bulbs.

A significant new use for antimony is the development of a new generation of memory devices which will replace flash drive memory devices presently used in computers, mobile phones and USB memory devices. These new memory devices (known as phase-change devices) use an alloy of germanium, antimony and tellurium ($Ge_2Sb_2Te_5$) known as "GST".

In June 2010, Samsung Electronics started mass-producing these phase-change devices from GST for use in mobile phones and laptops. These devices are up to 30 times faster than normal flash memory.



Antimony (Sb) rarely occurs in its native metallic form. It most commonly occurs in the form of the mineral stibnite.

Antimony ores are processed into concentrates which need to meet certain specifications to be marketable, typically:

- at least 60% Antimony
- less than 0.2% Arsenic
- less than 0.2% Lead
- less than 50 ppm Selenium
- low Bismuth
- low Tellurium

Antimony concentrates are subsequently refined into metal (ingots or pellets) or compounds such as antimony trioxide (a white powder). Antimony metal is marketed with a purity of 99.65-99.99% Sb.

2009 World Antimony Production and Reserves

	Production (t)	Reserves (t)
United States	–	–
Bolivia	4,500	310,000
China	170,000	790,000
Russia	3,000	350,000
South Africa	3,000	44,000
Tajikistan	2,000	50,000
Thailand	–	420,000
Other countries	4,000	150,000
World total (rounded)	187,000	2,100,000

Source: U.S. Geological Survey, Mineral Commodity Summaries, January 2010

Antimony price

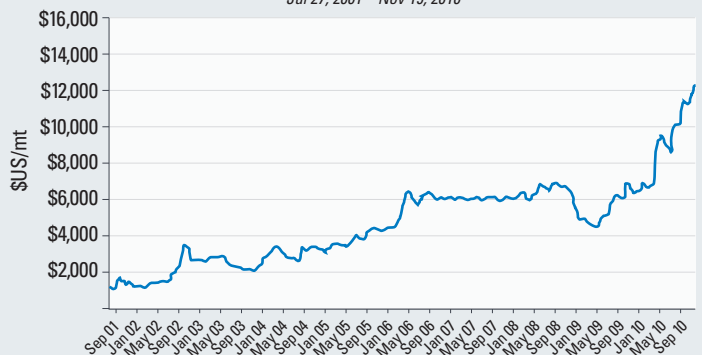
Antimony metal prices have risen from a 20 year low of around US\$1,000 per tonne in 2001 to over US\$12,000 per tonne in 2010. Antimony metal prices are quoted daily in The Australian Financial Review.

The price paid for antimony concentrates by smelters varies between 35-50% of the antimony metal price. Antimony trioxide typically attracts a premium to the antimony metal price.

The dramatic and sustained increase in the price of antimony over the last 10 years has been driven by supply and demand fundamentals.

Monthly Averages Antimony Metal Prices (CIF US Port)

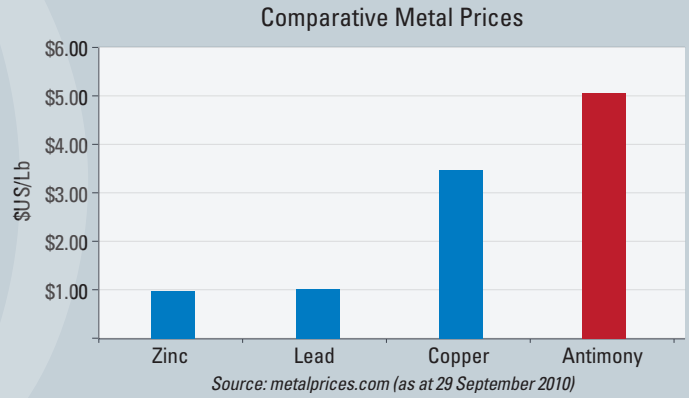
Jul 27, 2001 – Nov 19, 2010



Last: \$12,236 Nov 19, 10

Source: metalprices.com

The current price of antimony compares very favourably with other industrial metals such as lead, zinc and copper.



Supply and Demand Fundamentals

World consumption of antimony has increased significantly over the last 20 years, a trend which is set to continue. Worldwide demand for antimony trioxide has risen 7.5% annually from 2004 to an estimated 180,000t in 2010.

Significantly, in June 2010 the European Commission identified antimony as one of the 14 minerals critical to European industry which are facing supply challenges.

China has historically been the largest producer of antimony in the world. China accounted for about 90% of global antimony output in 2009.

SUPPLY	
Supply declining due to:	
↓	Sweeping mine closures following environmental crackdown in Hunan Province
↓	Exhausted and flooded mines in Nandan Province
↓	Drought and power restrictions in Guangxi Province
↓	Forced consolidation of Chinese antimony miners and smelters (1,000 operations to 10)
↓	The Chinese government has declared antimony a strategic metal (along with tungsten and rare earths)
↓	Chinese antimony has been subject to a production quota since 2009 (2010: 100,000 tpa)

Hunan Nonferrous Metals (a subsidiary of China Minmetals Corp) is now the largest producer of antimony in the world controlling 50% of Chinese production.

China is now the world's leading importer of antimony ores and concentrates, and its domestic antimony demand has also become the world's largest.

DEMAND	
Demand growing due to:	
↑	Increasing Chinese domestic demand which is now the world's largest and continuing to grow
↑	Every industrial country in the world legally requires fire-proofing for children's clothing and toys and antimony trioxide for flame retardants accounts for 70% of antimony consumption
↑	China is the largest manufacturer of children's clothing in the world
↑	China has a rapidly expanding OEM automotive battery industry
↑	Asian demand for bottle-grade PET is forecast to grow at over 10% per year
↑	New demand for phase-change memory devices in mobile phones and computers

Recoveries from gold-antimony ores

Historically, gold recovery from gold-antimony (auro-stibnite) ores was relatively poor as the presence of antimony interfered with the standard CIP/CIL process for gold extraction.

However, the efficiency of extraction processes for auro-stibnite ores has advanced significantly over the last 20 years as a result of a better understanding of the properties of antimony. Modern process designs incorporating flotation of antimony prior to CIP treatment of float tails result in very good recovery rates for both gold and antimony.



Northwest Resources Limited

ACN 107 337 379

ASX code: NWR

Registered & Corporate Office
 Suite 8, Level 2, 325 Pitt Street, Sydney NSW 2000
 Telephone: +61 2 9267 7661 Facsimile: +61 2 9267 7601
 Email: info@nw-resources.com.au
 Web: www.nw-resources.com.au