ANNOUNCEMENT

Shallow high-grade gold results from Blue Spec Shear drilling

Northwest is pleased to report results from its recent RC drilling program focused on the highly prospective Blue Spec Shear, part of Northwest's Nullagine Gold & Antimony Project located in the eastern Pilbara of Western Australia (see Figures 1 & 2).

Nor

Highlights

- Shallow high-grade gold and antimony mineralisation intersected at the Golden Spec deposit
- New area of high-grade gold mineralisation identified at the Orange Spec prospect
- New structural model indicating potential for near surface high grade gold mineralisation along the Blue Spec Shear confirmed
- Full potential of the Blue Spec Shear to host further discoveries yet to be fully realised

Significant intersections

Golden Spec:

- 3m @ 21.10 g/t Au & 6.97% Sb from 14m (incl. 2m @ 31.10 g/t Au & 10.20% Sb) (BSS_041)
- 5m @ 14.0 g/t Au & 3.67% Sb from surface (incl. 3m @ 21.36 g/t Au & 5.95% Sb) (BSS_048)
- 2m @ 10.19 g/t Au from 14m (incl. 1m @ 18.35 g/t Au) (BSS_050)
- 4m @ 5.73 g/t Au from 16m (incl. 1m @ 18.35 g/t Au) (BSS_035)
- 2m @ 8.71 g/t Au from 22m (incl. 1m @ 13.20 g/t Au) (BSS_038)

Orange Spec:

- 2m @ 26.30 g/t Au from 44m (BSS_192)
- 4m @ 6.0 g/t Au from 72m (incl. 1m @ 18.40 g/t Au) (BSS_184)
- 2m @ 9.30 g/t Au from 40m (incl. 1m @ 17.40 g/t Au) (BSS_185)
- 7m @ 2.81g/t Au from 33m (incl. 1m @ 10.50 g/t Au) (BSS_191)

The drilling program

The RC drilling program on the Blue Spec Shear totalled 6,400m over 157 holes. The programme was completed in October 2010 and all assays have now been received. The Blue Spec Shear is an east-west trending shear zone which outcrops over 16kms within Northwest's project area.

The primary objective of the exploration program was to test the Company's new structural model for near surface gold and antimony mineralisation at a number of targets along a 6km zone of the highly prospective Blue Spec Shear.

The majority of the drill holes were directed towards the shallow component of the program, testing the uppermost 20m of the Blue Spec Shear structure. These holes were 25-30m deep, drilled on north-south sections spaced between 50-100m apart. The remaining holes were 65-130m deep and tested extensions to known mineralisation at depths of 30-100m (See Tables 1, 2 & 3 in the Appendix for program details and drill-hole intersections).

The targets tested were (from west to east along the Shear) Silver Spec, Golden Spec, the Golden Spec-Blue Spec zone, Blue Spec, Orange Spec and Green Spec. No deep drilling was undertaken in the Golden Spec-Blue Spec zone and no shallow holes were directed at Blue Spec (see Figures 1 & 2).

Interpretation

Drilling results confirmed the continuity of gold mineralisation along the Blue Spec Shear, with every section in the shallow and deep components of the drilling program intercepting the Shear at or very close to the mapped position of the Shear. This is important as it provides confidence in the detailed structural mapping, and allows exploration to be focused on the Shear structure at depth.

The depth continuity of gold mineralisation was a feature of the drilling results. Excellent depth continuity is evident in the high-grade shoots at Blue Spec and Golden Spec based on previous drilling. At both Orange Spec and Silver Spec, strong depth continuity over 40-100m was confirmed.

Golden Spec

At Golden Spec, excellent gold and antimony results were returned from very shallow drilling. Highgrade mineralisation has been extended by approximately 130m across the main and western shoots at Golden Spec (see Figure 3). As has been previously reported, the current JORC resource at Golden Spec stands at **34,000t @ 32.3 g/t Au and 1.40% Sb for 35,000 oz gold and 500t antimony** constrained in two steeply dipping shoots. The resource does not include any remnant ore from historical upper levels at the deposit. Northwest believes that further drilling directed at this near surface zone has the potential to add additional mineral resources.

Orange Spec

Orange Spec is a new zone of high-grade gold mineralisation located 300m west of Green Spec. A number of high-grade intercepts characterised by +10g/t Au gold grades were returned. The mineralisation is associated with quartz-carbonate veining over a strike length of 100m and at vertical depths of 40-60m. The high-grade results are not reflected in shallow drilling vertically above the mineralized zone. (See Figure 4).

Blue Spec

At Blue Spec, deep drilling returned two moderate grade gold intersections of 4m @ 4.49 g/t Au (incl. 1m @ 8.74 g/t Au) from 121m (BSS_177) and 2m @ 3.7 g/t Au (incl. 1m @ 5.13 g/t Au) from 42m (BSS_178) located approximately 50m to the west of the modelled position of the remnant ore in the historical



upper levels. The position of these intersections suggest that the interpreted strike of the Blue Spec deposit at depth may be significantly extended by further drilling with positive implications for potential underground development (see Figure 5). As previously reported by Northwest, the current JORC resource delineated at Blue Spec is **323,000t @ 24.3 g/t Au and @ 1.72% Sb for 253,000 oz gold and 5,550t antimony** over an average strike length of 120-160m.

Silver Spec

The Silver Spec prospect is located 300m west of Golden Spec and displays similarities to the Orange Spec prospect. New intercepts of 2m @ 2.59 g/t Au from 48m (BSS_153) and 3m @ 1.56 g/t Au from 12m (BSS_015) were identified adjacent to a 2007 interval of 9.0 g/t Au from 36m which had not received any follow-up work. Whilst low grade, the intersections confirm the presence of gold mineralisation and strong depth continuity and the prospect warrants further testing. (See Figure 6).

Red Spec

In connection with the recent drilling program, an independent review of 2007 drilling data from a zone of gold mineralisation located 200m east of Blue Spec (formerly named Blue Spec East) was undertaken (see Figure 7). The review confirmed the mineralisation is hosted in sub-vertical, stacked vein sets and is characterised by gold-only metal content. The mineralisation style is distinct from that at the nearby Blue Spec deposit, and the prospect has been renamed Red Spec. Northwest expects to calculate a maiden JORC resource at Red Spec to be included in the eventual updating of the Mineral Resource estimate for the project.

Summary

The results of the drilling are very encouraging as it has confirmed that gold mineralisation occurs from surface or shallow depths in several locations along the Blue Spec Shear. Furthermore the results of drill holes in areas adjacent to existing mineral resources indicate greater strike continuity than previously thought.

Further exploration is required to establish better control over mineralisation continuity at a deposit and prospect scale. If additional exploration is successful, the new areas of mineralisation may provide additional development options for the project, including open pit operations prior to underground development. The Blue Spec Shear remains largely untested at depth outside of the high-grade shoots at Blue Spec and Golden Spec, and in particular the zone between both deposits.

Northwest's considers that the Blue Spec Shear is one of the most prospective gold zones in Western Australia and that its full potential to host further discoveries is yet to be fully realised.

Review of the additional data is underway with the aim of identifying further exploration targets and eventual updating of the Mineral Resource estimate for the project.

Antimony

The price of antimony metal continues to rise as a result of continuing supply and demand imbalances. China, historically the world's largest producer of antimony is now the world's leading importer of antimony concentrates. In June 2010, the European Commission identified antimony as one of the 14 minerals (including rare earths) critical to European industry which are facing supply challenges.

At the date of this announcement, antimony has reached a record price of **US\$11,850 per tonne**. Northwest's high-grade Blue Spec Shear hosted gold deposits contain up to 1-2% antimony. As previously reported, Northwest has a current JORC resource of 7,000t of antimony and there is significant potential to expand this resource.



Northwest will continue to evaluate the production of antimony as a valuable credit from potential gold production from the Nullagine Gold & Antimony Project.

About Northwest

Northwest's strategy is to build a sustainable cash generating mining operation at its Nullagine Gold & Antimony Project to enable the payment of dividends as well as self-fund the acquisition, exploration and development of future company-making resource projects both in Australia and around the world.

The Nullagine Gold & Antimony Project is located 20kms east of Nullagine in the eastern Pilbara of Western Australia. Nullagine is 2 hours' drive from the Pilbara hub of Newman.

The project area hosts two zones of distinct mineralization. The Blue Spec Shear is an east-west trending shear zone which outcrops over 16kms within the project area. The shear hosts high-grade, narrow-vein, steeply plunging, depth extensive shoot-style deposits. Gold mineralisation is associated with stibnite (the sulphide form of antimony). The Camel Creek Trend runs 5kms to the south and broadly parallel to the Blue Spec Shear over 30kms. The trend hosts near surface, medium grade (2-5g/t) deposits hosted by stock work and sheeted vein systems. No stibnite is present on the trend.

The project has a current global resource of **345,000 oz gold (Au) and 7,100 t antimony (Sb)** with significant exploration potential. All current resources are located on granted mining leases.

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Competent Person

The information in this report is based on information compiled by Mr. Charles Gillman, who is a Member of Australian Institute of Geoscientists. Mr. Gillman is a full-time employee of Northwest Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Gillman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This announcement may include forward looking statements. These forward looking statements are based on Northwest's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Northwest which could cause actual results to differ materially from such statements. Northwest makes no undertaking to subsequently update or revise the forward looking statements made in this announcement to reflect events or circumstances after the date of this announcement.



FIGURES

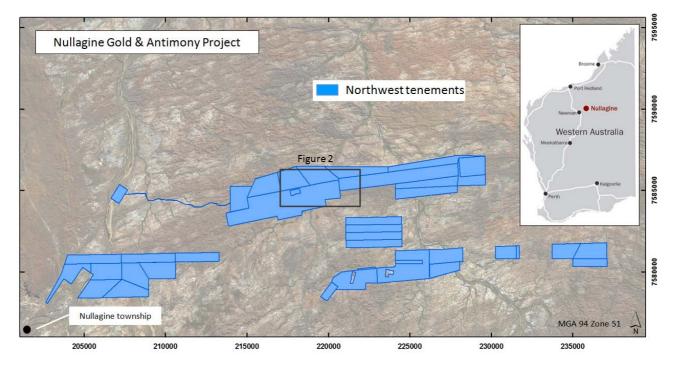


Figure 1: Location of the Nullagine Gold & Antimony Project

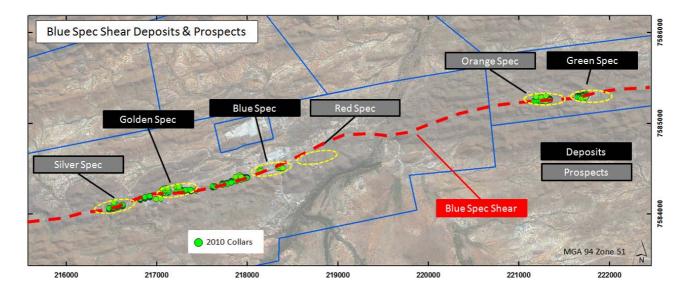


Figure 2: Blue Spec Shear deposits and prospects



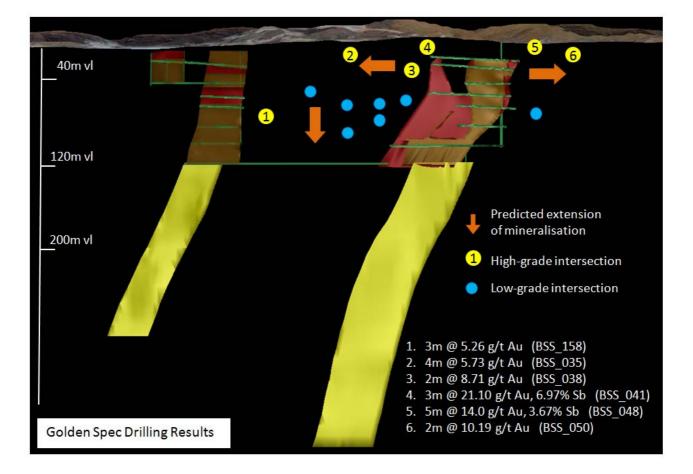


Figure 3: Golden Spec drilling results

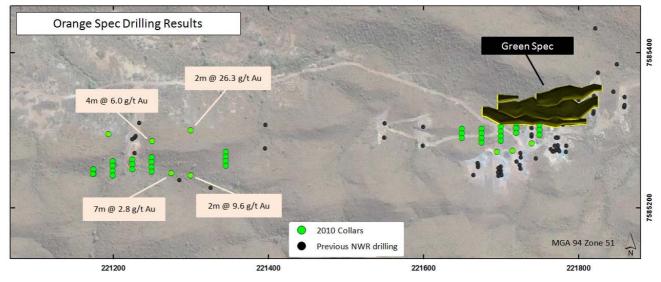


Figure 4: Orange Spec drilling results



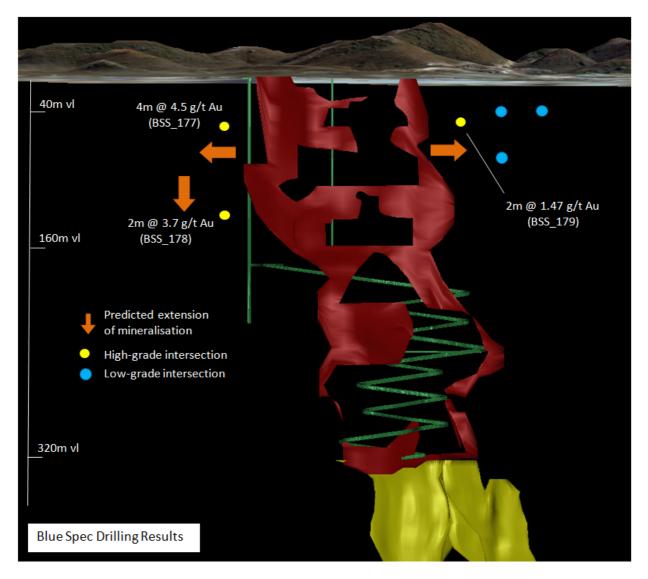


Figure 5: Blue Spec drilling results





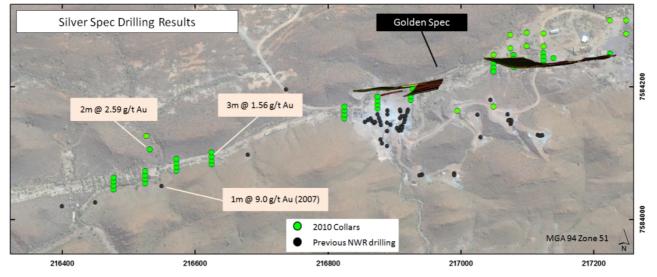


Figure 6: Silver Spec drilling results

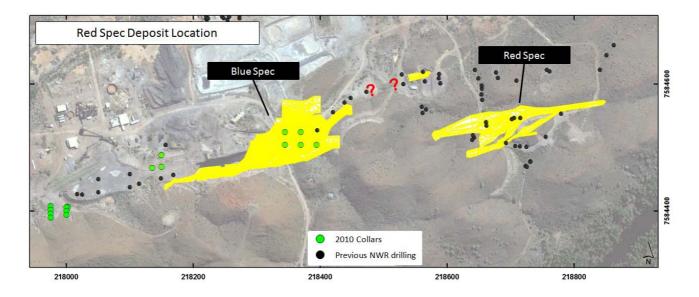


Figure 7: Red Spec location



APPENDIX

Table 1: Summary details of exploration drilling program

	Shallow (2	5m) holes	Deep (>2	5m) holes	Total	
	Holes	Metres	Holes	Metres	Holes	Metres
Blue Spec	-	-	11	1145	11	1145
Golden Spec	38	961	12	1242	50	2203
Blue Spec-Golden Spec	33	850	-	-	33	850
Green Spec	19	475	3	270	22	745
Orange Spec	18	450	5	425	23	875
Silver Spec	16	400	2	210	18	610
TOTAL	157	6428				



Table 2: Drill hole intersections

Hole	From	То	Interval	Au (g/t)	Sb (%)	Au gram metres	Prospect	
BSS_014	24	25	1*	1.33		1.33		
BSS_015	12	15	3	1.56		4.68	Silver Spec	
BSS_153	48	50	2	2.59		5.18	Silver spec	
BSS_154	98	100	2	1.16		2.32		
BSS_035	16	20	4	5.73		22.92		
Incl.	16	17	1	18.35				
BSS_038	22	24	2	8.71		17.42		
Incl.	23	24	1	13.20				
BSS_039	8	10	2	1.24		2.48		
BSS_041	14	17	3	21.10	6.97	63.3		
Incl.	15	17	2	31.10	10.2		Golden Spec	
BSS_048	0	5	5	14.00	3.67	70	Golden spec	
Incl.	1	4	3	21.36	5.95			
BSS_050	14	16	2	10.19		20.38		
Incl.	14	15	1	18.35				
BSS_158	83	86	3	5.26		15.78		
Incl.	83	85	2	7.29				
Ш	89	93	4	1.21		4.84		
BSS_176	48	51	3	0.92		2.76		
п	59	62	3	0.89		2.67		
BSS_177	53	57	4	0.64		2.56		
п	121	125	4	4.49		17.96	Blue Spec	
Incl.	122	123	1	8.74			blue spec	
BSS_178	42	44	2	3.70		7.4		
Incl.	42	43	1	5.13				
BSS_179	45	47	2	1.47		2.94		
BSS_184	72	76	4	6.00		24		
Incl.	73	74	1	18.40				
BSS_185	40	42	2	9.63		19.26		
Incl.	41	42	1	17.40			Orange Spec	
BSS_191	33	40	7	2.81		19.67		
Incl.	39	40	1	10.50				
BSS_192	44	46	2	26.30		52.6		

Notes:

- Intervals calculated by minimum 2m down hole width, 1.0g/t Au cut-off
- Intervals calculated by length-weighted averages
- All samples single crush, split
- Au assayed by 25g Fire Assay with AAS finish; 0.01ppm detection; ALS Chemex Perth
- As, Sb analysed by ICP-MS; 2ppm detection; ALS Chemex Perth
- All Sb samples >1% by ICP-MS re-assayed by XRF; ALS Chemex, Brisbane
- *- interval at end of hole
- High-grade intervals calculated by minimum 1m down hole width and 5.0g/t Au cut-off



Table 3: Drill hole collar details

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Hole	Easting	Northing	Depth	Azimuth	Dip	Prospect
BSS_001	216477	7584045	25	360	-60	Silver Spec
BSS_002	216477	7584051	25	360	-60	Silver Spec
BSS_003	216477	7584057	25	360	-60	Silver Spec
BSS_004	216477	7584063	25	360	-60	Silver Spec
BSS_005	216525	7584055	25	360	-60	Silver Spec
BSS_006	216525	7584061	25	360	-60	Silver Spec
BSS_007	216525	7584067	25	360	-60	Silver Spec
BSS_008	216525	7584073	25	360	-60	Silver Spec
BSS_009	216572	7584073	25	360	-60	Silver Spec
BSS_010	216572	7584079	25	360	-60	Silver Spec
BSS_011	216572	7584085	25	360	-60	Silver Spec
BSS_012	216572	7584091	25	360	-60	Silver Spec
BSS_013	216625	7584083	25	360	-60	Silver Spec
BSS_014	216625	7584089	25	360	-60	Silver Spec
BSS_015	216625	7584095	25	360	-60	Silver Spec
BSS_016	216625	7584101	25	360	-60	Silver Spec
BSS_153	216532	7584106	85	180	-60	Silver Spec
BSS_154	216527	7584126	125	180	-60	Silver Spec
BSS_017	216825	7584152	25	360	-60	Golden Spec
BSS_018	216825	7584158	36	360	-60	Golden Spec
BSS_019	216825	7584164	25	360	-60	Golden Spec
BSS_020	216825	7584170	25	360	-60	Golden Spec
BSS_021	216875	7584167	25	360	-60	Golden Spec
BSS_022	216875	7584173	25	360	-60	Golden Spec
BSS_023	216875	7584179	25	360	-60	Golden Spec
BSS_024	216875	7584185	25	360	-60	Golden Spec
BSS_025	216925	7584180	25	360	-60	Golden Spec
BSS_026	216925	7584186	25	360	-60	Golden Spec
BSS_027	216928	7584192	25	360	-60	Golden Spec
BSS_028	216928	7584198	25	360	-60	Golden Spec
BSS_030	217050	7584235	25	180	-60	Golden Spec
BSS_031	217050	7584229	25	180	-60	Golden Spec
BSS_032	217050	7584223	25	180	-60	Golden Spec
BSS_033	217080	7584248	25	180	-60	Golden Spec
BSS_034	217080	7584242	25	180	-60	Golden Spec
BSS_035	217080	7584236	25	180	-60	Golden Spec
BSS_036	217080	7584230	25	180	-60	Golden Spec
BSS_037	217125	7584251	25	180	-60	Golden Spec
BSS_038	217125	7584245	25	180	-60	Golden Spec
BSS_039	217125	7584239	25	180	-60	Golden Spec
BSS_040	217125	7584233	25	180	-60	Golden Spec
BSS_041	217140	7584243	25	180	-60	Golden Spec
BSS_048	217225	7584250	25	180	-60	Golden Spec



BSS_075

BSS_076

BSS_078

BSS_079

BSS_080

BSS_081

BSS_082

BSS 083

BSS_084

BSS_085

BSS_086

BSS_087

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7584326

7584320

7584342

7584336

7584330

7584363

25

25

25

25

25

30

Hole	Easting	Northing	Depth	Azimuth	Dip	Prospect
BSS_049	217278	7584268	25	180	-60	Golden Spec
BSS_050	217278	7584262	25	180	-60	Golden Spec
BSS_051	217278	7584256	25	180	-60	Golden Spec
BSS_052	217278	7584250	25	180	-60	Golden Spec
BSS_053	217325	7584246	25	360	-60	Golden Spec
BSS_054	217325	7584252	25	360	-60	Golden Spec
BSS_055	217325	7584258	25	360	-60	Golden Spec
BSS_056	217325	7584264	25	360	-60	Golden Spec
BSS_057	217380	7584249	25	360	-60	Golden Spec
BSS_058	217380	7584255	25	360	-60	Golden Spec
BSS_059	217375	7584261	25	360	-60	Golden Spec
BSS_060	217375	7584267	25	360	-60	Golden Spec
BSS_064	217435	7584257	25	180	-60	Golden Spec
BSS_158	216995	7584164	125	360	-60	Golden Spec
BSS_161	217050	7584248	70	180	-60	Golden Spec
BSS_162	217050	7584170	125	360	-60	Golden Spec
BSS_163	217075	7584258	85	180	-60	Golden Spec
BSS_164	217075	7584278	125	180	-60	Golden Spec
BSS_165	217100	7584262	85	180	-60	Golden Spec
BSS_166	217100	7584282	125	180	-60	Golden Spec
BSS_167	217125	7584261	65	180	-60	Golden Spec
BSS_168	217125	7584280	102	180	-60	Golden Spec
BSS_170	217225	7584300	125	180	-60	Golden Spec
BSS_171	217250	7584280	85	180	-60	Golden Spec
BSS_172	217250	7584300	125	180	-60	Golden Spec
BSS_065	217625	7584291	25	180	-60	Golden Spec - Blue Spec
BSS_066	217625	7584297	25	180	-60	Golden Spec - Blue Spec
BSS_067	217625	7584303	25	180	-60	Golden Spec - Blue Spec
BSS_068	217625	7584309	25	180	-60	Golden Spec - Blue Spec
BSS_071	217650	7584304	25	180	-60	Golden Spec - Blue Spec
BSS_072	217650	7584298	25	180	-60	Golden Spec - Blue Spec
BSS_073	217730	7584338	25	180	-60	Golden Spec - Blue Spec
BSS_074	217730	7584332	30	180	-60	Golden Spec - Blue Spec

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-60

Golden Spec - Blue Spec

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Hole	Easting	Northing	Depth	Azimuth	Dip	Prospect
BSS_088	217880	7584360	25	180	-60	Golden Spec - Blue Spec
BSS_089	217938	7584387	25	360	-60	Golden Spec - Blue Spec
BSS_090	217935	7584387	25	180	-60	Golden Spec - Blue Spec
BSS_091	217935	7584381	30	180	-60	Golden Spec - Blue Spec
BSS_092	217935	7584375	25	180	-60	Golden Spec - Blue Spec
BSS_093	217975	7584408	25	180	-60	Golden Spec - Blue Spec
BSS_094	217975	7584402	25	180	-60	Golden Spec - Blue Spec
BSS_095	217975	7584396	25	180	-60	Golden Spec - Blue Spec
BSS_096	217975	7584390	30	180	-60	Golden Spec - Blue Spec
BSS_097	218003	7584406	25	360	-60	Golden Spec - Blue Spec
BSS_098	218000	7584406	25	180	-60	Golden Spec - Blue Spec
BSS_099	218000	7584400	25	180	-60	Golden Spec - Blue Spec
BSS_100	218000	7584394	30	180	-60	Golden Spec - Blue Spec
BSS_173	217875	7584407	125	180	-60	Blue Spec
BSS_174	217925	7584427	125	180	-60	Blue Spec
BSS_175	217935	7584407	85	180	-60	Blue Spec
BSS_176	218135	7584468	85	180	-60	Blue Spec
BSS_177	218150	7584488	130	180	-60	Blue Spec
BSS_178	218150	7584470	85	180	-60	Blue Spec
BSS_179	218345	7584504	90	180	-60	Blue Spec
BSS_180	218345	7584524	125	180	-60	Blue Spec
BSS_181	218370	7584504	85	180	-60	Blue Spec
BSS_182	218370	7584524	125	180	-60	Blue Spec
BSS_183	218395	7584504	85	180	-60	Blue Spec
BSS_106	221175	7585250	25	360	-60	Orange Spec
BSS_107	221175	7585244	25	360	-60	Orange Spec
BSS_108	221174	7585244	25	240	-60	Orange Spec
BSS_109	221200	7585260	25	360	-60	Orange Spec
BSS_110	221200	7585254	25	360	-60	Orange Spec
BSS_111	221200	7585248	25	360	-60	Orange Spec
BSS_112	221200	7585242	25	360	-60	Orange Spec
BSS_113	221225	7585262	25	360	-60	Orange Spec
BSS_114	221225	7585256	25	360	-60	Orange Spec
BSS_115	221225	7585250	25	360	-60	Orange Spec
BSS_117	221250	7585265	25	360	-60	Orange Spec
BSS_118	221250	7585259	25	360	-60	Orange Spec
BSS_119	221250	7585253	25	360	-60	Orange Spec
BSS_120	221250	7585247	25	360	-60	Orange Spec
BSS_129	221345	7585272	25	360	-60	Orange Spec
BSS_130	221345	7585266	25	360	-60	Orange Spec
BSS_131	221345	7585260	25	360	-60	Orange Spec
BSS_132	221345	7585254	25	360	-60	Orange Spec
BSS_184	221194	7585295	85	180	-60	Orange Spec
BSS_185	221250	7585286	85	180	-60	Orange Spec

Hole	Easting	Northing	Depth	Azimuth	Dip	Prospect
BSS_187	221300	7585300	85	180	-60	Orange Spec
BSS_191	221275	7585245	85	360	-60	Orange Spec
BSS_192	221300	7585242	85	360	-60	Orange Spec
BSS_133	221650	7585302	25	180	-60	Green Spec
BSS_134	221650	7585296	25	180	-60	Green Spec
BSS_135	221650	7585290	25	180	-60	Green Spec
BSS_137	221675	7585302	25	180	-60	Green Spec
BSS_138	221675	7585296	25	180	-60	Green Spec
BSS_139	221675	7585290	25	180	-60	Green Spec
BSS_140	221675	7585284	25	180	-60	Green Spec
BSS_141	221700	7585305	25	180	-60	Green Spec
BSS_142	221700	7585299	25	180	-60	Green Spec
BSS_143	221700	7585293	25	180	-60	Green Spec
BSS_144	221700	7585287	25	180	-60	Green Spec
BSS_145	221720	7585314	25	180	-60	Green Spec
BSS_146	221720	7585308	25	180	-60	Green Spec
BSS_147	221720	7585302	25	180	-60	Green Spec
BSS_148	221720	7585296	25	180	-60	Green Spec
BSS_149	221750	7585312	25	180	-60	Green Spec
BSS_150	221750	7585306	25	180	-60	Green Spec
BSS_151	221750	7585300	25	180	-60	Green Spec
BSS_152	221750	7585294	25	180	-60	Green Spec
BSS_188	221695	7585272	100	360	-60	Green Spec
BSS_189	221715	7585274	85	360	-60	Green Spec
BSS_190	221740	7585283	85	360	-60	Green Spec

Notes:

- All holes reverse circulation (RC) with 4 1/2 inch down hole face sampling hammer, cone splitter, 1m intervals •
- All drilling by NDRC Drilling Pty Ltd •
- All holes >25m depth down hole surveyed in-rod (dip only) •
- All hole collars surveyed with DGPS (<1m) •
- Coordinates MGA 94 Zone 51 •

