

ANNOUNCEMENT

Date: 28 November 2011 | Number: 7/2011



Blue Spec Shear diamond drilling programme

Northwest Resources Limited (**Northwest**) is pleased to announce that the Company has commenced a diamond drilling programme at its high grade Blue Spec and Golden Spec gold-antimony deposits within the company's Nullagine Gold & Antimony Project.

The drilling program comprises approximately 1,600m of diamond core drilling to be directed at the Blue Spec Upper Zone, the Blue Spec Remnant Zone, and Golden Spec (see Figure 1).

Northwest has reported Mineral Resources for the Blue Spec Upper Zone and Golden Spec of:

Blue Spec Upper Zone: 89,000 tonnes grading 42.5g/t Au for 122,000 oz Au and 2.61% Sb for 2,300 tonnes Sb

Golden Spec: 273,000 tonnes grading 8.5g/t Au for 75,000 oz Au and 0.84% Sb for 2,300 tonnes Sb (including 49,000 oz @ 18 g/t Au)

The Company also has a Target Mineralisation for the Blue Spec Remnant Zone of 90,000 - 100,000 tonnes grading 14-16g/t Au for 40,000 - 50,000 oz Au.

The diamond drilling programme is designed to recover a total of approximately 250kg of ore zone material from the three domains which will be used for the first stage of a detailed metallurgical testwork programme to be conducted for the Company by Como Engineers Pty Ltd and Amdel Mineral Laboratories.

In addition to providing Northwest with information on gold and antimony recovery which will be used in process flow design evaluation and capital cost estimates, the metallurgical test work programme is designed to produce sample Au-Sb floatation concentrates from each of the domains. Assay analysis of the metal content of the floatation concentrates will enable Northwest to advance its ongoing discussions with parties interested in potential Au-Sb concentrate off-take and smelting arrangements with the Company.

The diamond drilling program is expected to take around 2 months to complete and the metallurgical testwork programme will be undertaken concurrently with the drilling programme, with final testwork results expected around 5 weeks following completion of the drilling programme.

For more information please contact:

John Merity
Managing Director

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

or visit Northwest's website at www.nw-resources.com.au

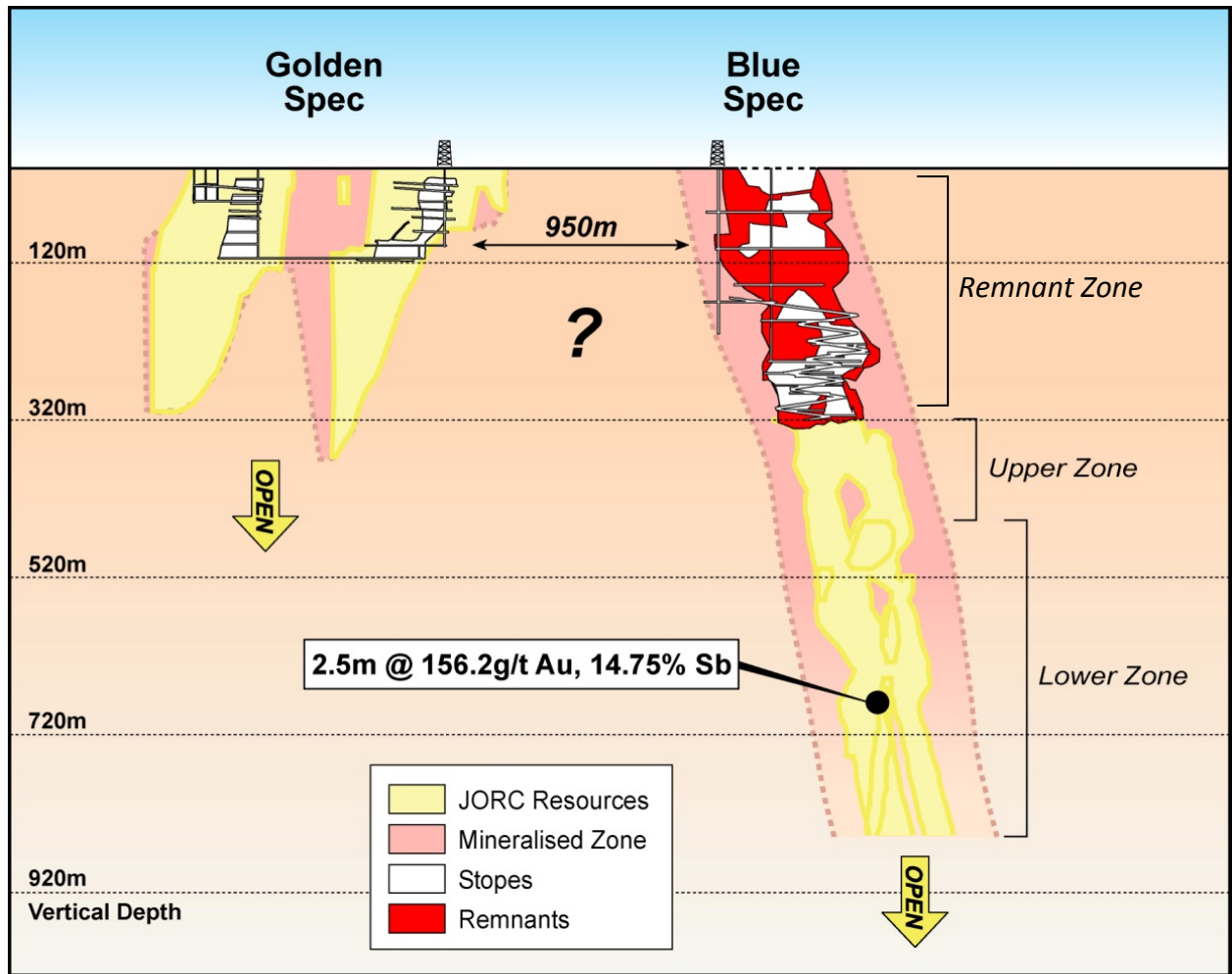


Figure 1: Blue Spec and Golden Spec gold-antimony deposits

Competent Person Statement

Information in this announcement relating to exploration is based on information compiled by Mr. Charles Gillman (MAIG) who 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.

Mineral Resources

	Category	Tonnes	g/t Au	Contained Au (oz)	% Sb	Contained Sb (t)
Blue Spec Upper Zone	Indicated	16,000	52.3	27,000	4.86	800
	Inferred	73,000	40.4	95,000	2.12	1,500
Blue Spec Lower Zone	Indicated	-	-	-	-	-
	Inferred	234,000	17.5	132,000	1.38	3,200
Total Blue Spec		308,000	24.3	254,000	1.72	5,500
Golden Spec	Indicated	109,000	4.9	17,000	0.54	600
	Inferred	164,000	10.9	57,000	1.04	1,700
Total Golden Spec		273,000	8.5	75,000	0.84	2,300

Notes

1. Discrepancies in summations will occur due to rounding.
2. All deposits were estimated using ordinary kriging (OK) methodology for grade estimation.
3. All underground historical stope locations were accounted for and excluded from the resource estimates.
4. The following Au cut-off grades were applied: Blue Spec >3g/t and Golden Spec >0.5g/t.
5. The grade shell model for Blue Spec was constrained to geological models and is defined by a minimum 2m true width and was constructed based on complimenting 5m sectional and flitch-based interpretations. Wireframe models were stitched and validated using both Gemcom and Surpac 3D geological modelling software.
6. The grade shell for Golden Spec was constructed based on 10m sectional-based interpretations. Wireframe models were stitched and validated using Datamine 3D geological modelling software.

Blue Spec Remnant Zone Target Mineralisation

The Target Mineralization estimated for the Blue Spec Remnant Zone is conceptual in nature and should not be construed as a Mineral Resource or Ore Reserve. The estimate is based on historical drilling results, drive sampling and production records for the Remnant Zone. It is uncertain if further exploration will result in the determination of a Mineral Resource for the Blue Spec Remnant Zone.