

ASX RELEASE

5 October 2012

Placement completed to fund Blue Spec Shear Gold-Antimony Project to DFS

Northwest Resources Limited (ASX: NWR, "Northwest" or "the Company") is pleased to announce that it has received firm commitments for a private placement of 26.3 million fully paid ordinary shares (Placement Shares) at an issue price of \$0.12 per Placement Share to sophisticated and professional investors in Australia to raise approximately \$3.15 million (before costs) (Placement). Taylor Collison Limited acted as lead manager and underwriter to the Placement.

Northwest intends to use the proceeds raised from the Placement to finalise the definitive feasibility study and material permitting for the Blue Spec Shear Gold-Antimony Project. The Company will also undertake an infill diamond drilling programme at the Blue Spec & Gold Spec deposits to enable a maiden Ore Reserve estimate for the project to be prepared.

As the issue of the Placement Shares was within the Company's 15% issue capacity under ASX Listing Rule 7.1, approval for the issue of the Placement Shares is not required from Northwest's shareholders.

Northwest's vision for the Blue Spec Shear Gold-Antimony Project is to bring the Blue Spec and Gold Spec deposits into production in 2013 as a high-grade narrow vein underground mining operation producing a gold enriched antimony concentrate for direct sale and then to expand the project through the discovery of additional high-grade deposits along the 14km shear zone.

For further information, please contact:

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