Northquest Ltd. announces additional drilling results from the Pistol Bay Gold Project

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PB-12-22 INTERSECTS 156.48 METRES GRADING 8.23 GRAMS GOLD PER TONNE AT THE VICKERS TARGET

TORONTO, Nov. 26, 2012 - Northquest Limited (TSX.V-NQ) (FWB-N3Q) ("Northquest" or "the Company") announces additional drilling results from the Pistol Bay Gold Project, Nunavut, Canada. The project consists of 675 square kilometres of mineral rights covering a 50 kilometre strike length of a 2 kilometre wide zone known as the Pistol Bay Corridor, which contains numerous gold occurrences. The results herein are from the Vickers Target. The Company has completed 4,580 metres of drilling this year and drilling operations are currently suspended for the winter. It is anticipated that drilling will resume in June 2013.

Over the past 20 months, since field operations commenced in April 2011, the Company has completed two airborne geophysical surveys and 7,097 metres of diamond drilling in 39 drill holes, of which 3,600 metres of drilling and 14 drill holes (excluding PB-12-08 which was abandoned) were completed at the Vickers Target. The other drill holes were drilled at the Pistol Porphyry and Cooey Targets (13 drill holes, 1,884 metres), which lack sufficient merit for further exploration, and the Sako and Bazooka Targets which require follow up drilling. At the Sako Target, 7 drill holes (1,087 metres) have been drilled in widely spaced scout drilling yielding highlight drilling intersections of 2.00 grams gold per tonne over 6.17 metres in drill hole PB-11-13 and 1.76 grams gold per tonne over 15.53 metres in PB-12-02 which were drilled 50 metres apart. At the Bazooka Target, four drill holes (526 metres) were drilled in 2012. PB-12-04 intersected 2.38 grams gold per tonne over 9.37 metres, and the other 3 widely spaced drill holes at the target did not intersect the target rocks. The total exploration expenditures (excluding acquisition and staking costs) to date, are $4.9 million dollars. In summary the Company has obtained economically interesting drilling results at three widely spaced targets (Sako, Vickers, and Bazooka) over a 20 kilometre long strike length of the Pistol Bay Corridor, within 20 months and with expenditures less than $5 M. It is the opinion of management that these early and relatively inexpensive results demonstrate that the Pistol Bay Corridor is a highly prospective mineralized trend and that the rocks in the trend are permissive for a district of gold deposits.

Vickers Target

The Vickers Target is an elliptical gabbro-diorite intrusive complex with a long axis of 1 kilometre. The gabbro-diorite intrusion is within silicified felsic schist and mylonite of a linear zone referred to as the Pistol Bay Corridor. Gold in surface outcrops occurs in a silicic, chloritic, breccia body exposed in the margin and footwall of the intrusion. The contact between the mineralized intrusion and the mineralized footwall sequence dips south at approximately 60 to 70 degrees. Fourteen drill holes (3,600 metres total) have been completed at the Vickers Target.

The Company has received and verified the complete assay results from PB-12-19 to PB-12-22 and the results of the drill holes are set out below in Table 1.

Table 1. Summary of weighted average grade of gold in drill holes PB-12-19 to PB-12-22, including all continuous intervals of variable average grade.

Hole	Length (m)	Azimuth	Collar Inclination	From (m)	To (m)	Intersection Length	Au (g/t)	
PB-12-19		274.93	00	-60	56.77	166.20		109
including				56.77	136.98	80.21		
including				136.98	166.20	29.22		
PB-12-20		249.02	00	-50	48.61	217.30		168
including				48.61	52.61	4.00		
including				52.61	83.00	30.39		
including				83.00	94.00	11.00		
including				94.00	138.70	44.70		
including				138.70	141.70	3.00		
including				141.70	217.30	75.60		
PB-12-21		299.91	00	-70	100.15	165.00		64
including				100.15	131.28	31.13		
including				131.28	165.00	33.72		
PB-12-22		273.41	00	-70	87.02	243.50		156
including				87.02	188.92	101.90		
including				188.92	243.50	54.58		

Note: Intersection lengths are core lengths and do not necessarily represent the true width of the mineralized zone. Weighted average grades are calculated from assays of drill core with nominal sample lengths of 1.0 metres. The detection limit of the assay method is 0.05 ppm gold. Some of the samples within the intersected lengths reported in Table 1 are below the detection limit and the assay value for those samples used in the weighted average grade calculation is zero. The complete drill hole logs, including assays, and sample lengths are published on the Company web site at www.northquest.biz

Section 9000 W

PB-12-19 on section 9000 W is the westernmost hole drilled at the Vickers Target. The interpreted thickness of the mineralized zone on this section is approximately 90 metres and the drill hole intersected a core length of 109.43 metres with a weighted average grade of 0.89 grams gold per tonne. Six samples out of a total of 108 samples of the mineralized zone were below the detection limit of 0.05 ppm gold. In PB-12-19, a 29.22 metre long section from 136.98 to 166.20 metres has a weighted average grade of 1.63 grams gold per tonne. Six samples within that interval contain

Section 8925 W

PB-12-20 was drilled on section 8925 W where the interpreted thickness of the mineralized zone is approximately 100 metres. The intersected core length of the mineralized zone in Table 1 is 168.69 metres. Thirty-two samples out of a total of 166 samples of the mineralized zone were below the detection limit of 0.05 ppm gold. Visible gold grains were documented eleven times from 50.61 to 192.74 metres (142.13 metres of core length). Table 2 lists the contribution of three assays on the weighted average grade of 2.15 g/t Au over a core length of 168.69 metres.

PB-12-21 was drilled on section 8925 W and is an undercut of PB-12-20. The intersected length of the mineralized zone is 64.85 metres and the estimated true width of the mineralized zone is approximately 50 metres. Nine samples out of a total of 65 samples of the mineralized zone were below the detection limit of 0.05 ppm gold. Visible gold was documented at three locations in PB-12-21 from 100.28 to 151.81 metres (50.53 metres of core length). One of the samples used in the weighted average grade calculation contains 87.90 g/t gold over a length of 1.00 metres. The effect of that sample in the weighted average gold calculation is set out in Table 2. The interval from 207.16 to 278.80 (71.64 metres), near the end of the drill hole, contains a weighted average of 0.32 grams gold per tonne over 71.64 metres. That interval is not included in the above chart, but it is illustrated in the drilling section because it spatially correlates with the wider mineralized zone intersected in PB-12-20 on the same section, and with the mineralized zone on adjacent drilling section 8900 W.

Section 8875 W

PB-12-22 was drilled on section 8875 W. The primary mineralized zone was intersected over a core length of 156.48 metres and has an estimated true width of approximately 90 metres. Twenty samples out of a total of 156 samples of the mineralized zone were below the detection limit of 0.05 ppm gold. In drill hole PB-12-22, visible gold was documented at three locations from 159.03 to 181.60 (22.57 metres of core length). Within

that interval, there are abundant grains of visible gold, sometimes forming plate-like aggregates of grains up to 1.20 centimetres in diameter. From 160.63 to 161.15 a 4 cm wide quartz vein at 8 degrees to the core axis with coarse visible gold grains was intersected and from 180.5 to 180.60 a 2 cm quartz vein at 15 degrees to the core axis with coarse visible gold grains was intersected. Elsewhere in the drill hole the core angles of fractures and quartz veinlets are variable. Moreover, this part of the drilling section on 8875 W spatially correlates with the mineralized zone on section 8900 W where there is also abundant visible gold and where the core angles are variable and at acute angles to the core axis.

The following chart sets out the assays in samples from the drill holes that were over 35.00 grams gold per tonne (approximately 1 troy ounce per ton) and the contributed value of the assay of that sample within the intersected interval. The value of 35.00 grams gold per tonne was selected arbitrarily, it is not based on a statistically valid cut-off, and was selected and used for information purposes only. In the opinion of the Company, a much larger assay population derived from additional drilling is required before a statistically valid top cut can be obtained.

Table 2. List of all individual samples in PB-12-19 to PB-12-22 with gold concentrations greater than 35.00 g/t Au and the contribution of those samples to the weighted average grade of the reported intersection.

Drill Hole	From (m)	To (m)	Intersection Length	Weighted Average Au g/t(1)	Sample	Assay Value	Contributed Length (m)	Contributed Value (2)	Contributed Value at 35.00 g/t Au (3)
PB-12-20	48.61		217.30	168.69		2.15		N840633	
					N840746		91.90		1.0
					N840758		38.80		1.0
PB-12-21	100.15		165.00	64.85		2.24		N849419	
PB-12-22	87.02		243.50	156.48		8.23		N849119	
					N849121		126.50		1.0
					N849142		68.60		1.0
					N849144		525.00		1.0

(1) Weighted Average grade is the weighted average grade of the primary drilling intersection of the mineralized zone reported in Table 1.
(2) Contributed Value means the value that the individual sample in the list contributes to the Weighted Average of the interval.
(3) Contributed value at 35.00 g/t Au, is the contributed value of the sample if the assay was arbitrarily cut to 35.00 g/t Au.

Summary of the Vickers Target Drilling Results

The four drill holes reported herein, plus the 10 holes that have already been released for the Vickers Target, have all intersected a mineralized zone with a variable grade and a thickness that varies from approximately 50 to 160 metres in the drilling sections. The drill holes have intersected the mineralized zone over a strike length of 200 metres. The deepest pierce point is in PB-12-11 at a depth of approximately 300 metres.

The mineralized zone of the Vickers Target is in the contact of a gabbro-diorite intrusion and a footwall sequence comprised of a mixture of epiclastic or volcaniclastic sandstones with abundant diorite inclusions or dikes. This contact trends approximately 295 degrees and dips approximately 60 to 70 degrees to the south. The mineralized zone appears to be more prevalent in the intrusion in the west and more prevalent within its footwall rocks in the east part of the Vickers Target.

Within the intrusion, the mineralized zone is variably silicic, chloritic, and contains variable concentrations of pyrite, arsenopyrite and gold. The rocks are very fractured and sometimes very brecciated. The attitude of a dominant fracture and tectonic fabric cannot at this time be determined with certainty but is interpreted as parallel to the footwall contact of the intrusion. The width of the mineralized zone in the intrusion and the gold distribution are illustrated on the sections and in the drill logs.

Within the footwall rocks, the mineralized zone consists of variably silicic, sericitic, and brecciated rocks with variable concentrations of pyrite, arsenopyrite and gold. A planar fabric of sericite and quartz-rich bands is prominent and also interpreted as parallel to the intrusion-footwall contact.

In brief, there seems to be a positive correlation between gold, diorite dikes, and breccia of diorite and

sandstone. The width of the mineralized zone within the footwall rocks and the gold distribution are illustrated on the sections and in the drill log files.

One of the characteristics of the mineralized zone, in both the intrusion and its footwall rocks, is that rocks grading over one gram gold per tonne are in some instances interspersed with intervals of low gold concentration (sometimes below the detection limit of 0.05 ppm) up to several metres thick, even though the silicate alteration is the same. The intervals with low gold concentration generally have less diorite and are less brecciated. An interpretation is that these intervals are less permeable domains and therefore somewhat less mineralized, or alternatively, the less altered rocks may possibly be mega breccia fragments that contain less gold. The lower grade intervals are included in the weighted average gold concentration calculation because they are an inseparable part of the contact zone between the intrusion and its footwall. Moreover, there are some intervals, up to a few metres in core length, with grains of visible gold with local silicic alteration with or without attendant sulphide minerals.

In general, although there are sections of the mineralized zone that have several per cent pyrite and arsenopyrite over several metres, the overall sulphide concentration of the mineralized zone is probably less than 2%. The abundance of silica and paucity of carbonate indicate that the mineralized zone is on a high silica fluid cooling path. The paucity of quartz veins and abundance of large volumes of silicic rock, including chalcedony matrix in some of the breccias, without a dominant structural fabric, suggests that the Vickers Zone is an epizonal concentration of silica and gold.

At this stage, 14 drill holes (3,600 metres) have been completed at the Vickers Target. In holes PB-12-09 to PB-12-22, all samples containing, or suspected of containing, coarse gold were assayed by ALS method AU-SCR21, which is a comprehensive assay method for rocks with coarse gold. The rest of the samples were assayed by fire assay with a gravimetric or AA finish. Starting with hole PB-12-13 and every drill hole thereafter, all samples were assayed with AU-SCR21. Hence, in the opinion of management, the gold concentrations reported are accurate. In addition, at this early stage of evaluation, it is the opinion of Company management that the database of assays is insufficient to obtain a robust and valid statistical interpretation of grade distribution in the rocks. Accordingly, no top cut has been applied to the highest assays.

The Company has published all of the data about the drilling in the form of complete drill logs and assay files, drilling plan maps, and cross sections on the Company web site www.northquest.biz. Additional photographs of drill core will also be published on the web site as soon as possible. Shareholders and potential shareholders are encouraged to review the data, including the photograph files, in order to gain an understanding of the geology and gold distribution of the Vickers Target.

Summary of Future Exploration Plans for the Pistol Bay Project

With the exception of section 8900 W, where we feel that the drill hole density is adequate, it is anticipated that additional drilling will be completed on many of the sections reported herein, and in previous press releases, with the objective of further evaluating the Vickers Target.

The Sako and Bazooka Targets also require additional drilling. The Sako Target has had seven widely spaced drill holes (1,087 metres) with highlight intersections 50 metres apart of 2.00 grams gold per tonne over 6.17 metres in drill hole PB-11-13 and 1.76 grams gold per tonne over 15.53 metres in PB-12-02. At the Bazooka Target, four drill holes (526 metres) were drilled in 2012. PB-12-04 intersected 2.38 grams gold per tonne over 9.37 metres, and the other three widely-spaced drill holes did not intersect the target rocks.

Jon North, CEO, stated that "When we acquired the Pistol Bay Project in 2010, we conceptualized the project as a mineralized trend of gold occurrences parallel and 80 kilometres south of the Meliadine trend of Agnico Eagle Mines. In 20 months and with expenditures of less than 5 million dollars, we have advanced the Pistol Bay Project from that concept to a high degree of certainty that we have discovered a mineralized gold trend. We have locked up what we think is the most prospective land, and now have a 50 kilometre long strike length of the trend with economically interesting drilling intersections over a 20 kilometre long segment of the trend".

Diamond drilling at Pistol Bay was cheerfully carried out by Top Rank Diamond Drilling of St. Rose du Lac, Manitoba. Helicopter transportation for personnel, drill moves and supply, and camp supply were safely and professionally provided by Custom Helicopters of Winnipeg, Manitoba. Much of the field work, core cutting, and camp supply and maintenance were provided by the good people of the Hamlet of Whale Cove, Nunavut.

Up to date drilling plans and sections and entire drill hole logs will be uploaded to the Company's web site www.northquest.biz as soon as possible.

Potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource at the Pistol Bay Project to date, and it is uncertain if further exploration will result in the target being delineated as a mineral resource. Northquest is a mineral exploration company focused on the acquisition, exploration and development of properties for the mining of gold and other minerals. Northquest has 38,061,073 shares outstanding (57,803,939 shares on a fully diluted basis). For further information please visit www.northquest.biz.

Drill core samples of BTW size were collected and cut in half with a rock saw on site. In general, sample lengths vary from 1.0 to 1.5 metres. Rock samples were analyzed by ALS Chemex analytical laboratory in Vancouver, Canada, by ALS method Au-SCR21 in which 1 kg of sample pulp is passed through a 100 micron screen and all of the coarse material on the screen is assayed by Au-GRA-21 and two samples of homogenized pulp that passed through the screen are assayed by Au-AA25 and Au-AA25D which is fire assay with AA finish on a 30 gram sample charge. Finally the weighted average of all assays is calculated by the laboratory and reported as the gold concentration of the rock sample. For analytical quality control, blank samples and commercially prepared and certified gold control standards with a range of grades are inserted at a frequency of one standard for every 10 samples and one blank for every 20 samples. NSV means "no significant values", g/t means "grams gold per tonne", ppm means "parts per million" which is the same as grams per tonne. The reported intersections are for drill core length and do not necessarily represent true widths.

Information in this press release relating to exploration results is based on data collected under the supervision of Dwayne Car, P.Geo., who holds the position of Vice President, Exploration and is a Qualified Person within the meaning of National Instrument 43-101.

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Image with caption: "Vickers Drill Plan (CNW Group/Northquest Ltd.)". Image available at: http://photos.newswire.ca/images/download/20121126_C3478_PHOTO_EN_21182.jpg

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