

PRESS RELEASE

KWG

No. 132

Symbol on TSX Venture Exchange: **KWG**
Shares issued and outstanding: **670,918,941**

KWG CONTINUES NORMAL COURSE ISSUER BID

Toronto, Canada – August 22, 2012 – The **KWG Resources Inc.** (“KWG”) Board of Directors has authorized the expenditure of up to \$200,000 more for the purchase of up to 31.9 million of its common shares by way of normal course purchases on TSX Venture Exchange (“TSXV”).

KWG has purchased for cancellation a total of 7,460,000 shares of the Company for \$500,000, at an average price of \$0.0664 per share since commencing its purchases following the announcement of its intention to do so last October. KWG’s corporate structure now consists of 670,918,941 common shares issued and outstanding, or 887,397,341 shares issued and outstanding on a fully diluted basis. KWG believes that its common shares currently trade in a price range that does not adequately reflect their underlying value based on KWG’s business prospects and strong financial position. As a result, depending upon future price movements and other factors, KWG believes that its outstanding common shares represent an attractive investment and a desirable use of a portion of its corporate funds.

Further purchases will be made by KWG, through its agent Jones Gable and Company Limited, in accordance with applicable regulatory requirements and the price which KWG will pay for any such common shares will be the market price of such shares at the time of acquisition. The common shares purchased will be cancelled.

To the knowledge of KWG, no director, senior officer or other insider of KWG currently intends to sell any common shares under this bid. However, sales by such persons through the facilities of the TSXV may occur if the personal circumstances of any such person change or if any such person makes a decision unrelated to these normal course purchases. The benefits to any such person whose shares are purchased would be the same as the benefits available to all other holders whose shares are purchased.

About KWG: KWG has a 30% interest in the Big Daddy deposit. KWG also owns 100% of Canada Chrome Corporation which has staked claims and conducted a \$15 million surveying and soil testing program for the engineering and construction of a railroad to the Ring of Fire from Exton, Ontario where the Trans Canada line of the Canadian National Railway can be connected.

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