

PRESS RELEASE

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KWG

Symbol on TSX Venture Exchange: **KWG**
Shares issued and outstanding: **777,512,273**

DIVISIONAL COURT SAYS KWG MAY NEGOTIATE CONDITIONS OF EASEMENT UNDER PUBLIC LANDS ACT, NOT WITHHOLD CONSENT UNDER MINING ACT

Toronto, Canada, August 1, 2014 - **KWG Resources Inc. (TSXV: KWG; Frankfurt: KW6)** reports that the Divisional Court of the Ontario Superior Court of Justice on Wednesday released its decision in the appeal brought by 2274659 Ontario Inc., a subsidiary of Cliffs Natural Resources Inc. ("Cliffs"), of the judgment of the Ontario Mining and Lands Commissioner ("MLC") issued September 10, 2013. The appeal was heard on June 16 and 17, 2014. Wednesday's decision allowed the appeal, set aside the decision of the MLC and granted the original application to dispense with the consent of KWG subsidiary Canada Chrome Corporation ("CCC") to an application for an easement over CCC claims.

The Divisional Court reasons held, in part: *"Whether or not it is in the public interest to grant an easement for a road is a matter for the Minister of Natural Resources to determine, after an environmental assessment and consultation with First Nations and other affected interests. It is for the Minister to determine whether the easement should be granted in the public interest and on what terms. CCC will be able to participate in that process."* And elsewhere: *"I would add that the issue being decided under s.51(4) of the Mining Act does not deprive CCC of its ability at the next stage to oppose Cliffs' easement application or to ask for conditions that would protect its legitimate interests in its mining claims."*

Counsel for KWG are reviewing the Divisional Court's extensive reasons for judgment.

About KWG: KWG has a 30% interest in the Big Daddy chromite deposit and the right to earn 80% of the Black Horse chromite where resources are being defined. KWG has also acquired interests in provisional patents including a method for the direct reduction of chromite to metalized iron and chrome using natural gas. 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.

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