PRESS RELEASE

No 20

KWG

Symbol on TSX-Venture Exchange: KWG
Shares issued and outstanding: 269,659,821

KWG AND SPIDER COMPLETE 2008 DRILLING PROGRAM AT BIG DADDY CHROME DEPOSIT; PRELIMINARY METALLURGICAL TEST WORK YIELDS POSITIVE RESULTS

HIGHLIGHTS

- **THE KWG-SPIDER JOINT VENTURE HAS COMPLETED THEIR EARN-IN OF A 50% INTEREST IN THE FREEWEST OPTION PROPERTY**
- **HOLE FW-08-14 ENCOUNTERED 36.3% Cr_2O_3 OVER 10.5 METERS FOLLOWED BY 3.4 METER WIDE PLATINUM GROUP METAL SECTION THAT AVERAGED 2.21 g/t PLATINUM AND 2.15 g/t PALLADIUM**
- **MASSIVE CHROMITE BED(S) PERSISTENT FOR AN ADDITIONAL100 METERS TO THE NORTHEAST**
- **PRELIMINARY METALLURGICAL TEST WORK SHOWS POSITIVE RESULTS FOR PRODUCING A COMMERCIALLY ACCEPTABLE FERRO-CHROME PRODUCT**

TORONTO, ONTARIO, 21 October, 2008 – KWG Resources Inc. (TSX-V: KWG) "KWG", Spider Resources Inc. (TSX-V: SPQ) "Spider", and Freewest Resources Canada Inc. (TSX-V: FWR) "Freewest" announce the completion of a very successful drilling program prior to the fall “freeze-up” period in Northern Ontario.

Since 2005 the KWG-Spider Joint Venture has spent the minimum $3.0 million on the Freewest Option and has earned a 50% interest in the optioned claims. The current ownership on the subject claims is now 25% KWG, 25% Spider and 50% Freewest.

Since June, the main exploration focus of the KWG-Spider Joint Venture has been on the massive Chromite occurrence that was first discovered on the Freewest Option property in March of 2006. As a result of the recent drilling completed, the occurrence is now referred to as the “Big Daddy Chromite Deposit”. This deposit is located approximately 3.6 kilometers northeast of Noront Resources Ltd's ("Noront") Eagle One Magmatic Massive Sulphide (Nickel Copper and PGM), or five 5 kilometers northeast of Noront’s Blackbird One and Two (Chromite) discoveries, and 4 kilometers southwest of Freewest’s Black Thor Chromite discovery.

Diamond drilling by the KWG/Spider JV, has identified a northeast trending zone of continuous chrome mineralization, that extends from local grid line 9+00 meters NE to 13+00 NE. The mineralized zone dips towards the NW at about 70 degrees and consists of varying widths of a variable tenor of chrome mineralization, forming a series of stacked lenses. Additional infill drilling will be required to confirm continuity of the lenses from section to section.

The deposit remains open to depth as well as along strike in both directions. In addition, near surface drilling of the upwards extension to surface has not been completed. All drill data is being added to a 3-D Gemcom model to visualize the chromite body. Assays, when they become available will be added into this model, to provide average grade estimates. A number of faults were noted in the drilling logs, some of which occur at the contact of the chromite with the surrounding peridotite/dunite; these fault sets are also being modelled, as they also affect the interpretation and continuity of the mineralization from section to section.

ASSAY DATA RECENTLY RECEIVED

Analytical results have recently been received for three holes drilled earlier this past summer: FW-08-12, FW-08-13 and FW-08-14. Each of these holes intersected massive chromite mineralization as previously announced (August 19, 2008). The following table (Table 1) provides drill collar co-ordinates for these three holes, as well as other holes previously drilled (and reported) on the Big Daddy Chrome occurrence. Table 2 provides additional details of assays received from the first three holes of last summer's exploration program.

Table 1

Hole ID	UTM Easting (m)	UTM Northing (m)	Local Grid Easting (m)	Local Grid Northing (m)	Azimuth degrees	Inclination degrees	Length (m)
FW-06-03	551087	5845306	10+00 E	15+25 N	150°	-50°	353.5
FW-08-05	551050	5845367	L10+00E	16+00N	150°	-50°	327
FW-08-06	550959	5845324	L9+00E	16+00N	150°	-50°	384
FW-08-07	551136	5845427	L11+00E	16+00N	150°	-50°	405.7
FW-08-12	551111	5845472	L11+00E	16+00N	150°	-50°	354
FW-08-13	551164	5845384	L11+00E	15+50N	150°	-50°	297
FW-08-14	551180	5845451	L11+50E	16+00N	150°	-50°	189

Table 2

Hole ID	**From (m)**	**To (m)**	**Int (m)**	**Ni %**	**Pt g/t**	**Pd g/t**	**Au g/t**	**TPM g/t**	**Cr2O3 %**	**Cr %**	**Fe %**	**Cr:Fe**
FWR-08-12	130.5	139.5	9.0	0.05	0.55	0.51	0.07	1.13	NA	NA	NA	NA
followed by	208.7	213.0	4.3	0.18	0.15	0.08	0.01	0.24	9.3	6.4	9.9	0.7
then	213.0	228.3	15.3	0.25	0.15	0.05	0.01	0.21	0.8	0.6	2.2	0.3
then	**228.3**	**244.8**	**16.5**	**0.17**	**0.41**	**0.18**	**0.01**	**0.60**	**39.7**	**27.2**	**16.0**	**1.7**
then	244.8	251.0	6.2	0.22	0.23	0.05	0.01	0.29	NA	NA	NA	NA
then	**251.0**	**264.3**	**13.3**	**0.10**	**0.29**	**0.23**	**0.01**	**0.53**	**36.4**	**24.9**	**14.2**	**1.8**
FWR-08-13	55.3	74.3	18.8	0.25	0.04	0.12	0.00	0.16	NA	NA	NA	
followed by	74.3	142.2	67.9	0.13	0.19	0.20	0.01	0.40	25.1	17.2	15.2	1.1
including	**90.0**	**102.0**	**12.0**	**0.12**	**0.23**	**0.17**	**0.00**	**0.40**	**29.1**	**19.9**	**15.5**	**1.3**
FWR-08-14	30.0	103.5	73.5	0.11	0.17	0.19	0.01	0.37	29.6	20.2	15.8	1.3
including	**40.5**	**51.0**	**10.5**	**0.11**	**0.20**	**0.13**	**0.01**	**0.33**	**36.3**	**24.8**	**16.4**	**1.5**
followed by	103.5	117.0	13.5	0.09	0.78	0.99	0.04	1.81	NA	NA	NA	NA
including	**113.6**	**117.0**	**3.4**	**0.09**	**2.21**	**2.15**	**0.08**	**4.44**	**NA**	**NA**	**NA**	**NA**

Hole FW-08-12 intersected a length of platinum and palladium mineralization, where the Total Precious Metals (TPM) exceeded 1 gram/tonne over 9 meters, followed by a 4.3 meter section of semi-massive chromite that averaged 9.3% Cr_2O_3, followed by a 15.3 nickel enriched section that averaged 0.25% nickel. This was then followed by a 16.5 meter section of massive chromite that averaged 39.7% Cr_2O_3 followed by a third 13.3 meter section of massive chromite that averaged 36.4% Cr_2O_3. The two thicker beds had a very good Cr:Fe ratio of 1.7 and 1.8 respectively.

Hole FW-08-13 intersected a length of nickel mineralization over 18.8 meters that averaged 0.25% nickel, followed by a 67.9 meter zone of semi-massive to massive chromite that averaged 25.1% Cr_2O_3 including a richer section where 12 meters averaged 29.1% Cr_2O_3.

Hole FW-08-14 intersected a 73.5 meter thick zone of chromite mineralization that averaged 29.6% Cr_2O_3 including a 10.5 meter section that averaged 36.3% Cr_2O_3 with a Cr:Fe ratio of 1.5. This area of chromite mineralization was followed down hole by a platinum bearing unit over 13.5 meters that averaged 1.81 TPM g/t including a 3.4 meter section that averaged 4.44 TPM g/t.

DRILL RESULTS FROM RECENT PROGRAM

The following table (Table 3) summarizes the drill hole intersections of the last two holes recently completed, to test the continuity of mineralization at a 100 meter step out to the Northeast on local grid line 13+00 NE. Massive Chromite was intersected in both of these two new holes. The following table provides visual descriptions of the core as noted by site geologists in the drill logs. These are visuals only - assays are pending on these two holes. Once all assays are received, downhole assay grade intervals will be released along with hole collar locations on the local and UTM grid for these as well as earlier holes where collar locations have not yet been reported.

Table 3 (Recent drill results, observed mineralization, assays pending)

Hole ID	initial dip	from (m)	to (m)	Int. (m)	Visual observations
FW-08-22	-50 deg	250	256	6	Disseminated Chromite
		256	263.6	7.6	Semi Massive Chromite
		263.6	298.8	**35.2**	Massive Chromite
FW-08-23	-50 deg	265	269.7	**4.7**	Disseminated Chromite
		332.3	378	**45.7**	Massive Chromite

The widths of the chromite beds stated in Table 3 are drilled intercepts only, not true thickness. True thickness will be determined once additional drilling is completed and the deposit is modeled. The main massive chromite bed appears to be continuously mineralized over an apparent thickness of 35 to 45 meters on this section. Assay results for these drill holes are pending.

The above noted holes were drilled on section 13+00NE, in a southwesterly direction (grid south) and the collars are on 50 meter centers. As stated above, upon receipt of complete assays from the holes drilled since June, additional collar location and down-hole information will be provided and summarized in table form. An initial rendering of the 3D model as derived from vertical sections, including drill plans will also be added to KWG's website.

SAMPLE PROTOCOL, SECURITY, ANALYSES

All drill holes were logged and samples referred to herein were completed and selected under the supervision of Howard Lahti Ph.D., P.Geo, of Fredericton New Brunswick. The samples were sawn in half, with half of the core retained for further work and/or storage at the main base camp at McFaulds Lake. The split samples were placed into individual plastic bags, clearly labeled and

tagged and then sealed in rice bags where a numbered seal lock was applied. The sealed rice bags were placed in plastic sealed pails and shipped via bonded carrier to Activation Laboratory's (ActLab) new facility in Thunder Bay, Ontario. The samples were then entered into ActLab's system for preparation, processing and analyzing. After initial processing at the Thunder Bay facility of ActLab, the samples were shipped via lab – lab bonded courier to ActLab's main laboratory in Ancaster, Ontario. The samples all underwent multi-element analysis using four acid digestion followed by Inductively Coupled Plasma analysis (TD-ICP). Where over-limits in nickel and copper are encountered in the first pass, Optical Emission Spectrometry (ICP-OES) is used to provide the over-limit results, as well as Fire Assay Inductively Coupled Plasma (FA-ICP) for gold, platinum and palladium. Additional analysis using Instrumental Neutron Activation Analysis (INAA) was completed for all samples for their respective chrome grades in excess of 1% chrome. For more information on these analytical techniques please refer to Activation Laboratory website www.actlabs.com

PRELIMINARY METALLURGICAL TEST WORK ON THE BIG DADDY CHROMITE

The Joint Venture partners commissioned James R Guilinger of World Industrial Minerals, of Arvada, Colorado to perform initial investigations into the metallurgical characteristics of samples selected from the project. Mr. James Guilinger is a Registered Member (RM) with the Society of Mining Engineers (SME) and a Qualified Person (QP) as such term is defined under National Instrument 43-101 with the Mining and Metallurgical Society of America (MMSA). His work entailed a petrographic examination and XRF/XRD analyses on 8 selected split core samples from earlier drill-hole intercepts within the main massive chromite zone at the Big Daddy Chromite occurrence. These samples were selected from holes FWR-08-05 and FWR-08-07. **The results presented herein are preliminary in scope, much more metallurgical work and beneficiation studies need to be performed.**

World Industrial Minerals utilized Phillips Enterprises, LLC of Golden Colorado to perform beneficiation tests on the quarter core samples submitted. The general scope of the initial metallurgical test work was to provide information on the various processing techniques typically used to beneficiate chrome, to determine the preferred general process required to up-grade the chromite at the Big Daddy to a saleable product. As part of the metallurgical study, Phillips Enterprises in conjunction with World Industrial Minerals (under the auspices of Mr. James Guilinger), used DCM Science Laboratory of Wheat Ridge, Colorado to provide X-ray Diffraction (XRD) analysis as well as petrographic analysis on the samples to provide information needed with respect to mineralogy and chromite content in the selected samples. Assay determinations were provided by The Mineral Lab Inc. of Lakewood Colorado. The assay technique used by The Mineral Lab was X-Ray Fluorescence (XRF).

The following is a summary of the Guilinger's report:

Beneficiation tests on the samples were completed at Phillips Enterprises as follows:

1. Core samples used for the test work were crushed and blended to –70 + 140 mesh in a rod mill;

2. Crushed material was screened at –140 mesh and sent to a flotation circuit. The –70 mesh + 140 mesh was sent to a gravity circuit that consisted of a gravity sorting table;

3. Two products were made from the gravity circuit; a) concentrate and b) the 'middlings';

4. A float concentrate product was made from the –140-mesh material.

The initial crushed and screened sample plus all of the resulting products were analyzed at Hazen Research of Golden Colorado. The samples were fused with sodium peroxide. The melt was dissolved and diluted to volume in 10% HCl and then analyzed by Atomic Absorption for Cr_2O_3 with the following results:

- Head grade of composite sample was 37% Cr_2O_3. The chemically analyzed head grade is slightly higher than the calculated weight percent of the XRF results listed above.

- The gravity separation of the –70 + 140 mesh material shows a Cr_2O_3 recovery of 47% based on the total sample. The gravity concentrate grade (concentrate plus middling) was 49% Cr_2O_3.

- The flotation separation on the –140 mesh fraction shows a Cr_2O_3 recovery of 28% based upon the total sample. The flotation grade was determined to be 43% Cr_2O_3.

- In summary, 74% of the **chromite** contained in the composite sample was recovered using a combination of floatation and gravity separation techniques, this concentrate has an average grade of 46.6% Cr2O3.

- Jim Guilinger states " **The processed cores easily exceed the minimum 40% Cr2O3 grade threshold that the market place prefers"**

Overall, it was concluded that the ferrochrome product from the aforementioned testing provides a concentrate that is very close to meeting specifications for the largest consumers of chromite (ferrochrome), representing about 95% of the market. The material definitely qualifies for the foundry sand application, which represents about 3% of the market. It was noted that "**With optimization of the gravity and flotation it should be possible to create a product suitable for approximately 98% of the world markets. In these two markets approximately 18.4 million tons of chromite were consumed in 2005."**

Mr. Guilinger in his report recommended the following:

1) Continue with the beneficiation to optimize chromite recovery and reduce the silica content to > 3% (on representative samples of the deposit as a whole); and

2) Discuss chrome product specifications with potential consumers.

This press release has been prepared by management of Spider Resources Inc., which is the operator of the joint venture with KWG during 2008, and has been approved for dissemination by Neil Novak P.Geo, President of Spider and a Qualified Person as such term as defined under National Instrument 43-101, who has reviewed and verified the technical information contained in this press release and has approved the contents of this press release.

- 30 –

For further information, please contact:

BRUCE HODGMAN
Communications Director
Direct: 416- 646-1374
info@kwgresources.com

Or visit our website: ***www.kwgresources.com***