

PRESS RELEASE

KWG

No. 76

Symbol on TSX Venture Exchange: **KWG**
Shares issued and outstanding: **589,549,206**

KWG TO RETAIN ITS SPIDER SHARES

Montréal, Canada – July 9, 2010 - **KWG Resources Inc.** (TSXV: KWG) (“KWG”) advises that it will not tender its holdings of common shares in Spider Resources Inc. (TSXV: SPQ) (“Spider”) to the takeover offer made by a subsidiary of Cliffs Natural Resources Inc. (“Cliffs”). Based on the independent valuations recently undertaken by KWG, it has determined to retain its Spider shares until such time as Cliffs proceeds with its stated intention of acquiring the remainder of the Spider shares held by shareholders who do not accept the offer, pursuant to an amalgamation or other acquisition transaction or a statutory squeeze-out. At that time KWG will have the statutory right to dissent and to demand to be paid, and to be paid, the fair value of its Spider shares, which KWG believes will exceed the \$0.19 per share being offered by Cliffs.

Forward-Looking Information

This news release contains or refers to forward-looking information. All statements, other than statements of historical fact that address activities, events or developments that KWG believes, expects or anticipates will or may occur in the future are forward-looking information. Such forward-looking information includes, but is not limited to, statements regarding KWG’s intention to retain its Spider shares, KWG’s exercise of dissent rights and the fair value of the Spider common shares.

This forward-looking information reflects the current expectations or beliefs of KWG based on information currently available to it. In connection therewith, certain factors and assumptions have been considered, including (without limitation) Cliffs proceeding with acquiring the remainder of the Spider shares held by shareholders who do not accept its offer and the fair value of the Spider shares at the relevant future date when KWG exercises its dissent right. Although KWG believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future actions and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results to differ materially from the conclusions or forecasts discussed in the forward-looking information, and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on KWG. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: Cliffs not proceeding with acquiring the remainder of the Spider shares held by shareholders who do not accept its offer and risks normally incidental to exploration and development of, and production from, mineral properties and/or adverse changes in securities markets, economic and general business and financial conditions, and the condition and prospects of Spider that may affect the fair value of the Spider shares.

Forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, KWG disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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