

PRESS RELEASE

KWG

No. 77

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

KWG DRILLING AND BULK SAMPLE PROGRAMS FOR BIG DADDY APPROVED

Montréal, Canada – August 9th, 2010 - **KWG Resources Inc.** (“KWG”) in consultation with co-optionee Spider Resources Inc. (“Spider”) has received approval from the *Big Daddy* Technical Management Committee for its proposed program of deep drilling and bulk sampling. The Big Daddy Technical and Management Committee is comprised of representatives of each of KWG, Spider and Freewest Resources Canada Inc. (“Freewest”).

KWG has proposed a program of up to \$4 million designed to upgrade the previously reported inferred mineral resources (see joint news release of KWG and Spider of May 3, 2010) into the indicated mineral resources category (as defined by CIMM) that includes a test of a large part of the substantial downward extension of the mineralized body indicated from interpretations of its geophysical evidence, where most of the inferred resources lay. Twelve deep drill holes are planned to test for the down-dip extension of the mineralization. The successful execution of the drilling program might identify a mineral resource recoverable by underground bulk mining techniques that could more than double the productive life of the deposit when added to the surface-recoverable resources identified to date. The results could then be used to inform a pre-feasibility study of an integrated combined surface and underground mining and development plan. The proposed program also includes a bulk sample of the deposit’s mineralization and beneficiation testing from massive chromite mineralization collected from either a surface stripping program or large diameter core drilling.

Planning and preparation is now underway to see completion of the entire sample recovery portion of the program this fall. Analytical results from testing of the drill core samples are expected to be obtained over the ensuing months. KWG has operatorship of the *Big Daddy* project through March 31, 2011 under the option agreement by which it may earn a 30% joint venture interest in the mineral property, where a significant chromite deposit has been partially identified to date. The program has been planned and budgeted so that its completion will result in the vesting of a 28% interest in the project in each of KWG and Spider, who may then both earn an additional 2% interest by each incurring a further \$2.5 million of exploration expenditures prior to March 31, 2012.

KWG’s wholly-owned subsidiary, Canada Chrome Corporation, is continuing laboratory soil testing of the 754 auger drill samples collected on the claims it has staked on a proposed transportation corridor related to the Big Daddy project. The results of these lab tests by Golder & Associates are expected to be completed in the fourth quarter of this year. This data may then be incorporated into an engineering preliminary feasibility study being prepared by Krech Ojard & Associates, from which land use planning consultations may then be undertaken.

M. J. Lavigne, P. Geo., Vice-President Exploration & Development of KWG is the Qualified Person supervising the proposed program and has approved the contents of this release.

FORWARD-LOOKING INFORMATION

This press release contains forward-looking information which is not comprised of historical facts. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information contained in this press release includes, but may not be limited to: KWG’s proposed work program (including the nature and extent of drilling and bulk sampling) at the Big Daddy project and the costs relating thereto; KWG’s expectations relating to the results and timing of completion of such work program; KWG’s expectation that the completion of the work program will result in the vesting of a 28% interest in the Big Daddy project in each of KWG and Spider; the potential for each of KWG and Spider to earn further interests in the Big Daddy project; the continuation of laboratory soil testing by Canada

Chrome Corporation and the expected timing of the results from such testing; the proposed transportation corridor, engineering preliminary feasibility study and future land use planning consultations related to the Big Daddy project.

Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, risks normally incidental to exploration and development of mineral properties, uncertainties in the interpretation of results from drilling and testing, the possibility that future exploration, development or mining results will not be consistent with expectations (including delays in the anticipated timing related thereto), the inability of KWG to obtain additional financing when and as needed (including to fund its proposed work program on the Big Daddy project) and certain other risks set out in KWG's public documents filed under KWG's profile on SEDAR at www.sedar.com.

The forward-looking information in this press release reflects the current expectations, assumptions and/or beliefs of KWG based on information currently available to KWG. In connection with the forward-looking information contained in this press release, KWG has made certain assumptions about KWG's business, the economy and the mineral exploration industry in general, KWG's continued exploration of the Big Daddy project (including its ability to fund same), the regulatory framework in the jurisdictions in which KWG operates with respect to, among other things, KWG's ability to obtain, maintain, renew and/or extend required permits, licenses, authorizations and/or approvals from the appropriate regulatory authorities, KWG's ability to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet KWG's demand, and has also assumed no unusual geological or technical problems occur, equipment works as anticipated and no significant events occur outside of KWG's normal course of business. Although KWG believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Any 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 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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