



Canada's Ring of Fire & Direct Reduction

Understanding the Opportunity



KWG RESOURCES INC.

CANADA CHROME CORPORATION



Members' Meeting 2018 - 24-26th April 2018 - Paris, France

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This presentation includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation. Examples of such forward-looking information includes information regarding the timing, extent and success of exploration, development and mining activities, conclusions of economic evaluations (including those contained in the Technical Report, as defined herein), project financing requirements, project permitting, planned infrastructure for the Ring of Fire region and the estimated and anticipated economic impact of KWGs mineral projects. Forward-looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the impact of general business and economic conditions; risks related to government and environmental regulation, actual results of current exploration and development activities, changes in project parameters as plans continue to be refined; problems inherent to the marketability of base and precious metals; industry conditions, including fluctuations in the price of base and precious metals, fluctuations in interest rates; government entities interpreting existing tax legislation or enacting new tax legislation in a way which adversely affects the Company; stock market volatility; competition; risk factors disclosed in the Company's most recent Management's Discussion and Analysis and Annual Information Form, available electronically on SEDAR; and such other factors described or referred to elsewhere herein, including unanticipated and/or unusual events. Many such factors are beyond KWG's ability to control or predict.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate as actual results and future events could differ materially from those reliant on forward-looking information.

All of the forward-looking information given in this presentation is qualified by these cautionary statements and readers are cautioned not to put undue reliance on forward-looking information due to its inherent uncertainty. 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, except as required by law. This forward-looking information should not be relied upon as representing the Company's views as of any date subsequent to the date of this press release.

About ; KWG Resources Inc



KWG Resources Inc is an exploration stage company that is positioned to be the world's lowest cost producer of **ferrochrome**.

This premise is based on three essential components;

- 1- high grade chromite deposit (Black Horse)
- 2- low cost bulk transport (Canada Chrome Corp)
- 3- reducing chromite to ferrochrome using natural gas. (Muketi)

Ring of Fire ; Location



From a practical point of view the Lowland is a vegetation rich lake



Which makes boating very difficult

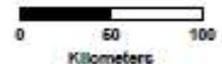


When the Lowland is not frozen, all activities require helicopter support



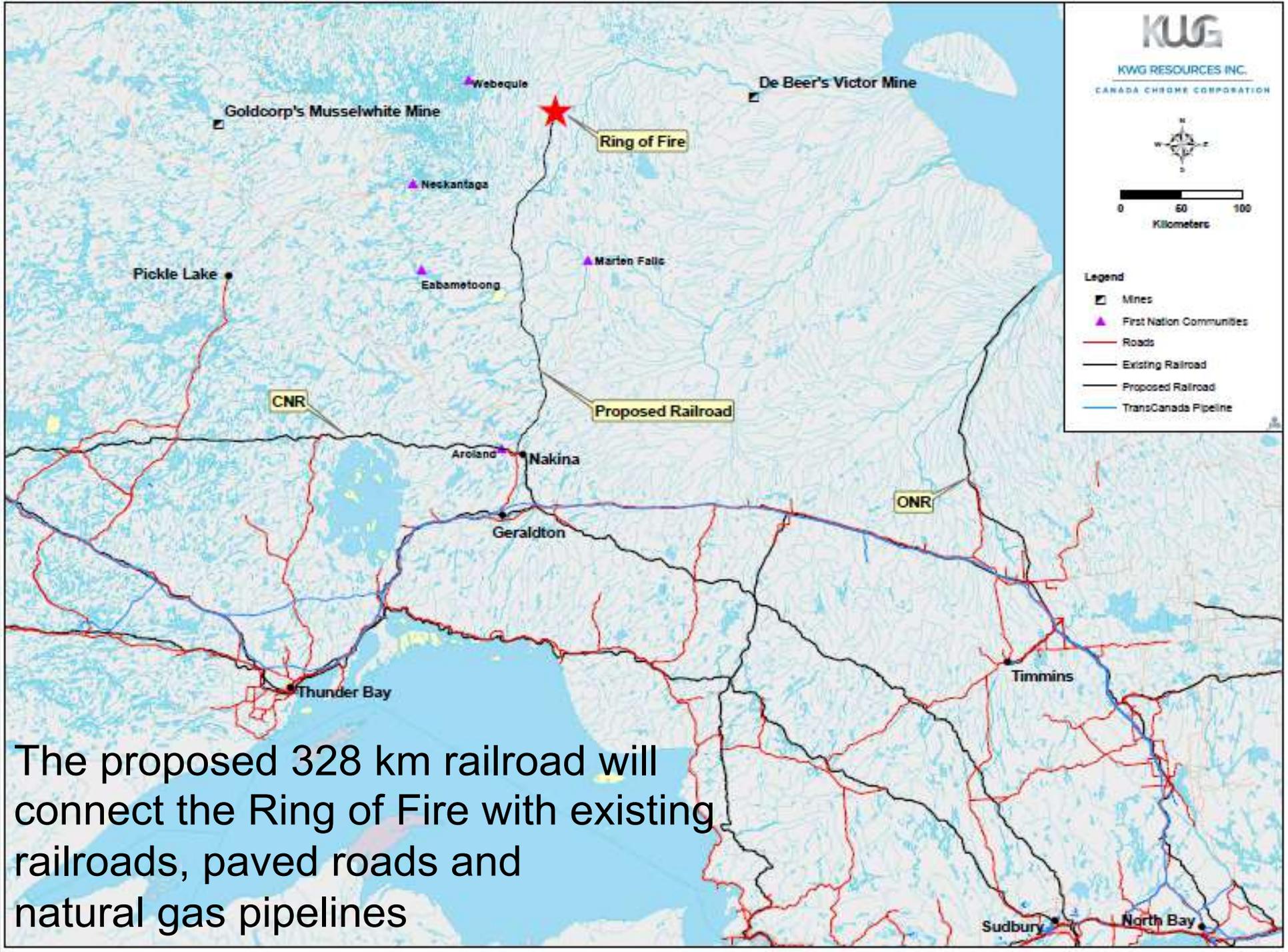
Canada Chrome Corp has staked mining claims on a unique sand ridge that stands proud of the wet Lowlands that will support heavy transport infrastructure and egress from its minesite.





Legend

- Mines
- First Nation Communities
- Roads
- Existing Railroad
- Proposed Railroad
- TransCanada Pipeline



The proposed 328 km railroad will connect the Ring of Fire with existing railroads, paved roads and natural gas pipelines

Brief history

In 2001 Debeers drilled on a KWG claim at McFaulds Lake and discovered copper and zinc.

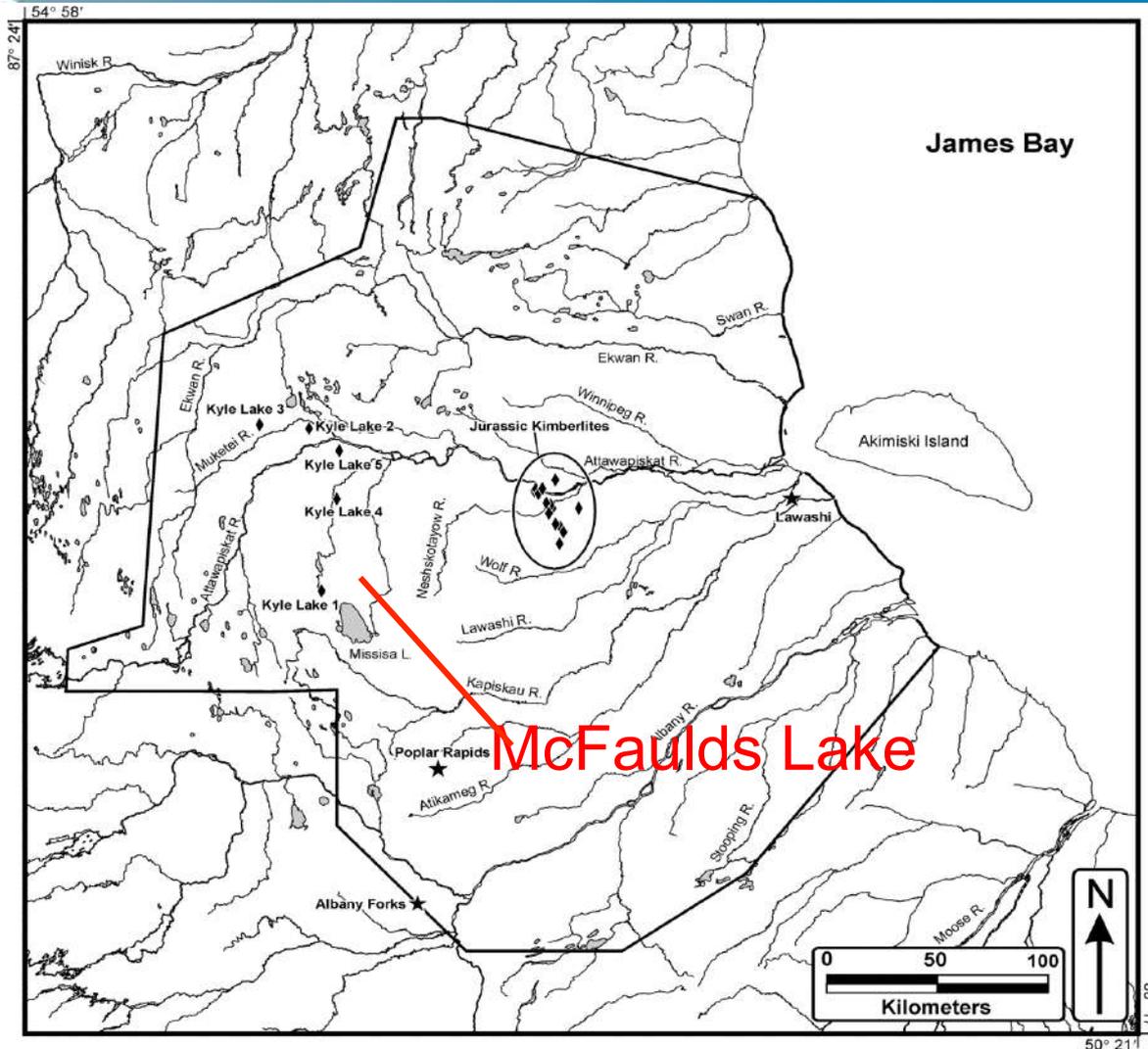
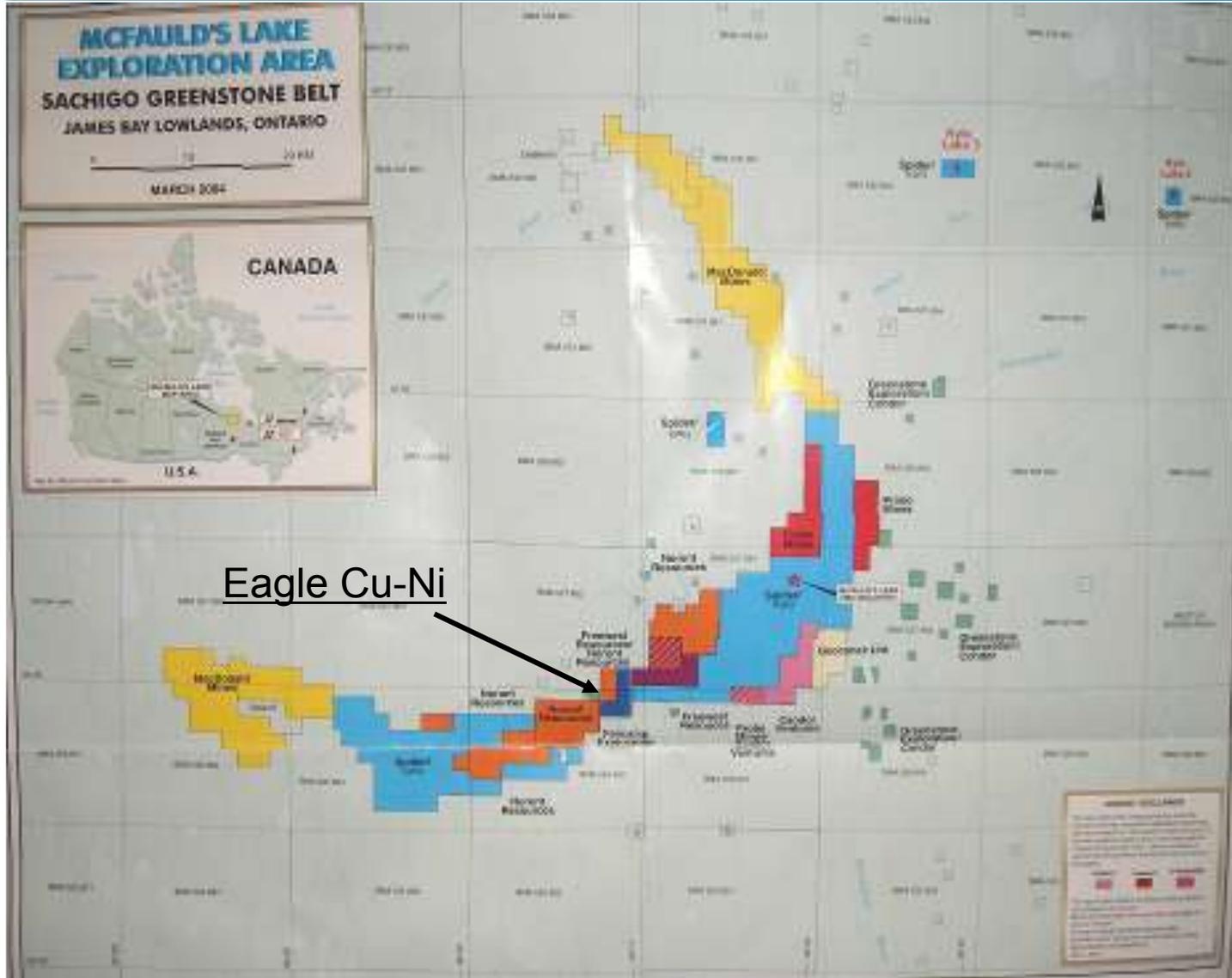


Figure 6. Location of diatremes and other alkalic complexes in the James Bay Lowland survey area. Diatremes are shown as diamonds and the alkalic complexes are shown as stars. The Kyle Lake diatremes are believed to be Mesoproterozoic in age

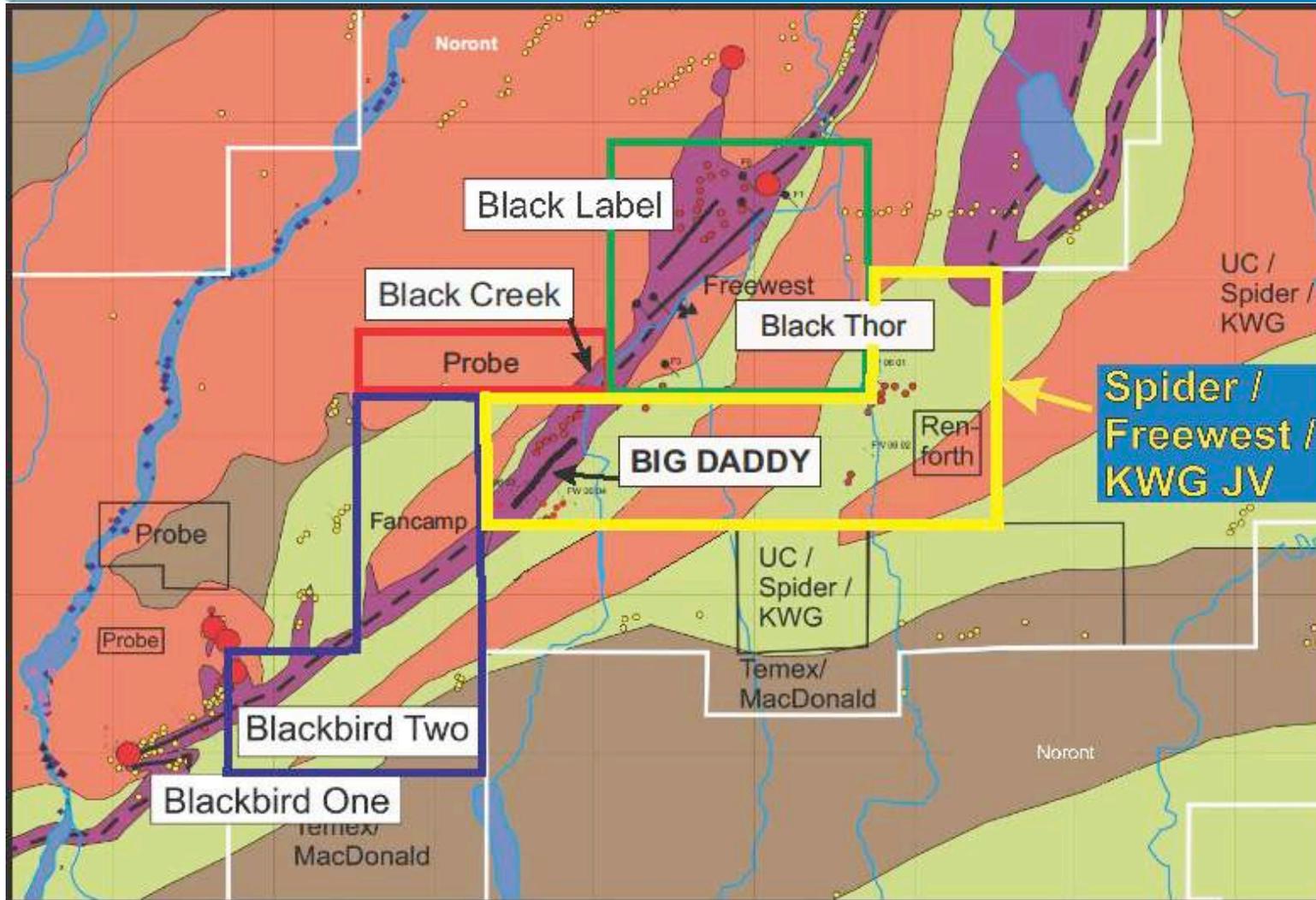
Brief history

In 2007, Noront discovered the Eagle copper-nickel-platinum deposit.



Brief history

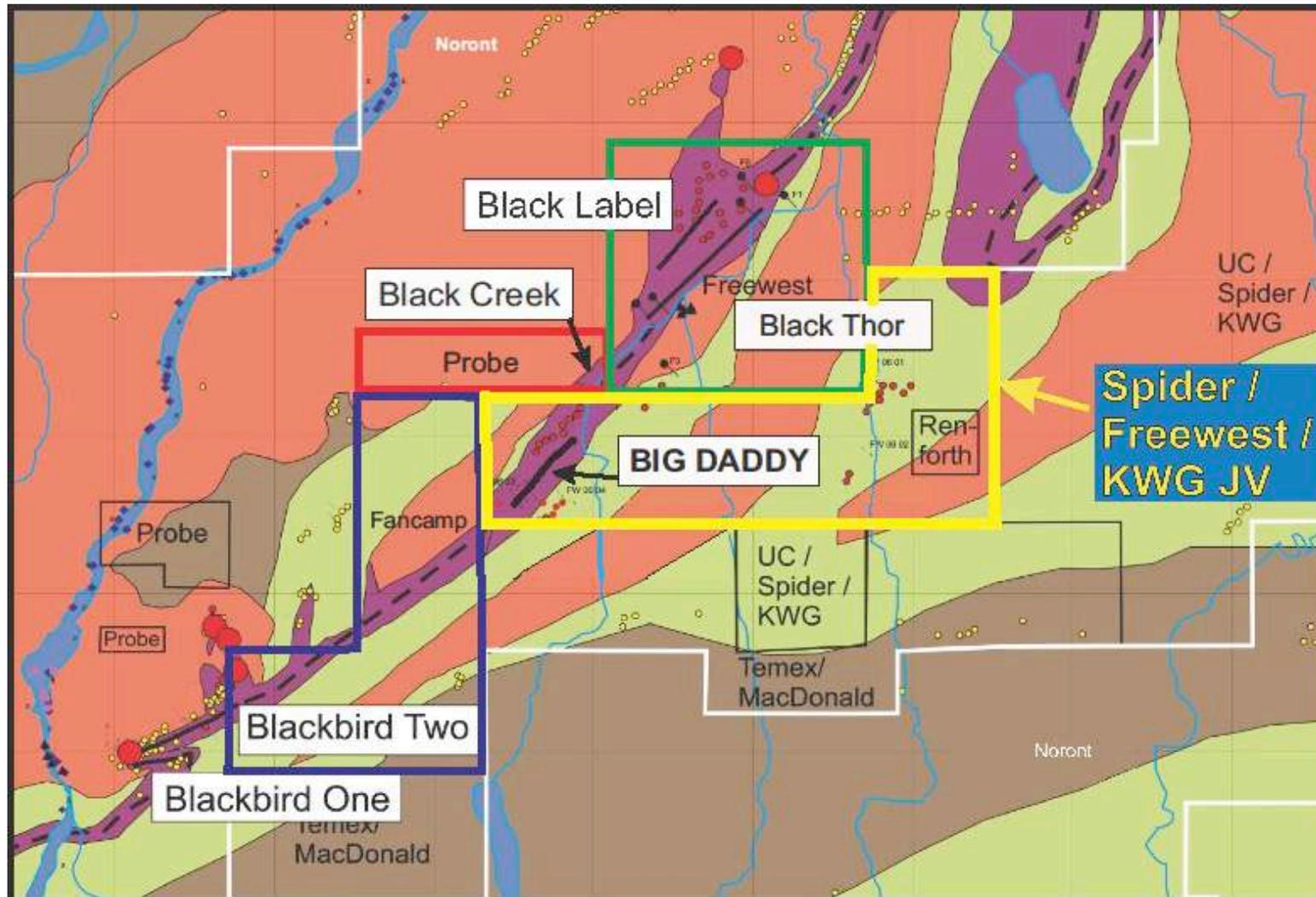
- In 2008, 3 chromite deposits were discovered
- Black Bird - Noront
- Big Daddy - Freewest-Spider-KWG
- Black Thor - Freewest



Brief history

In 2008-2009

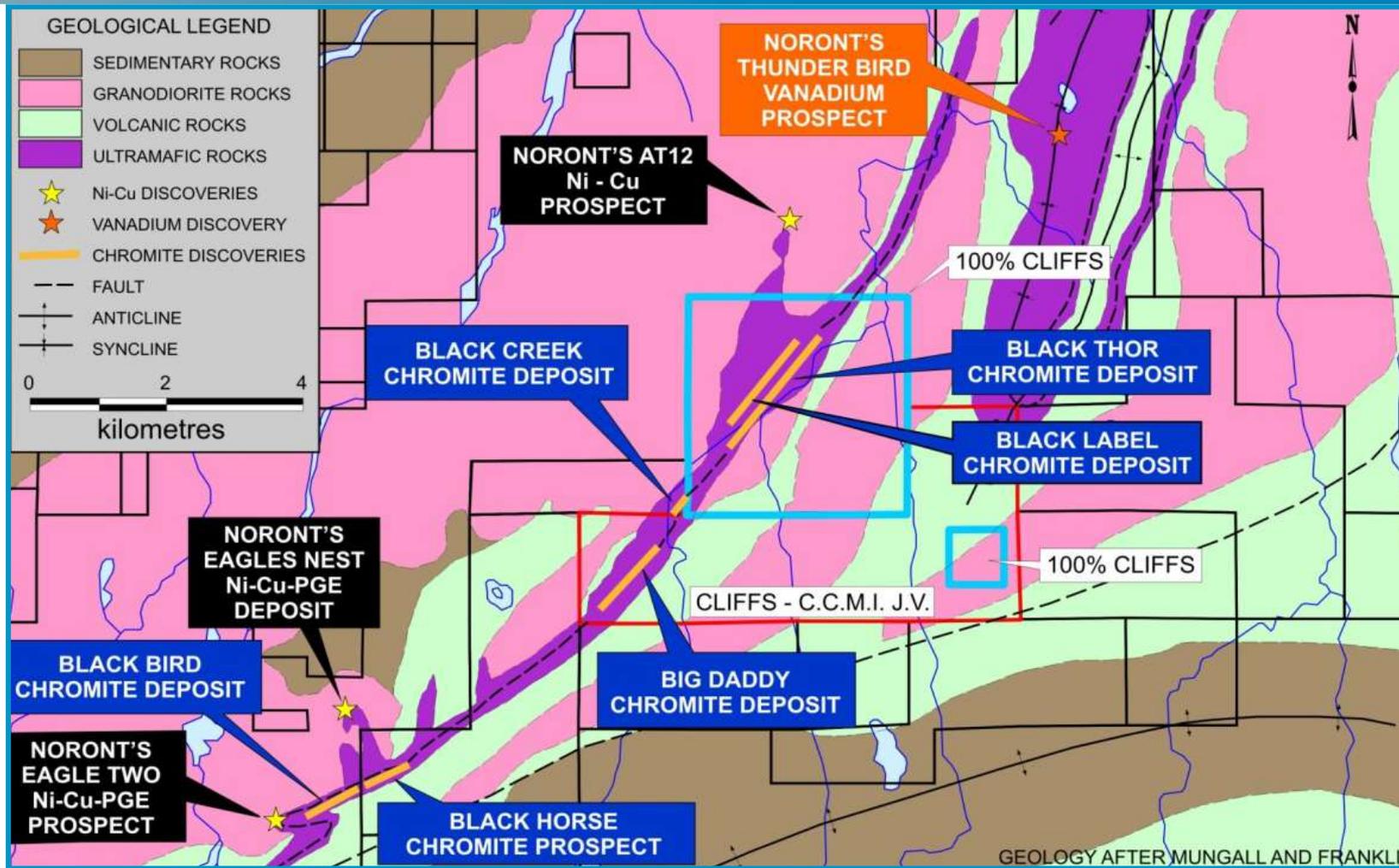
KWG partners with Cliffs Natural Resources to support the development of the Big Daddy



Brief history

2010 - Cliffs buys Freewest and Spider and control over Big Daddy and Black Thor

Cliffs proceeds with plans to develop Black Thor



Brief history

2011 - Cliffs raises \$5 billion to purchase control of the Bloom Lake iron mine.

2014 – Cliffs Canadian subsidiary declares bankruptcy

2015 – Sale of Canadian assets, Ring of Fire to Noront

Markets Chart of the Day

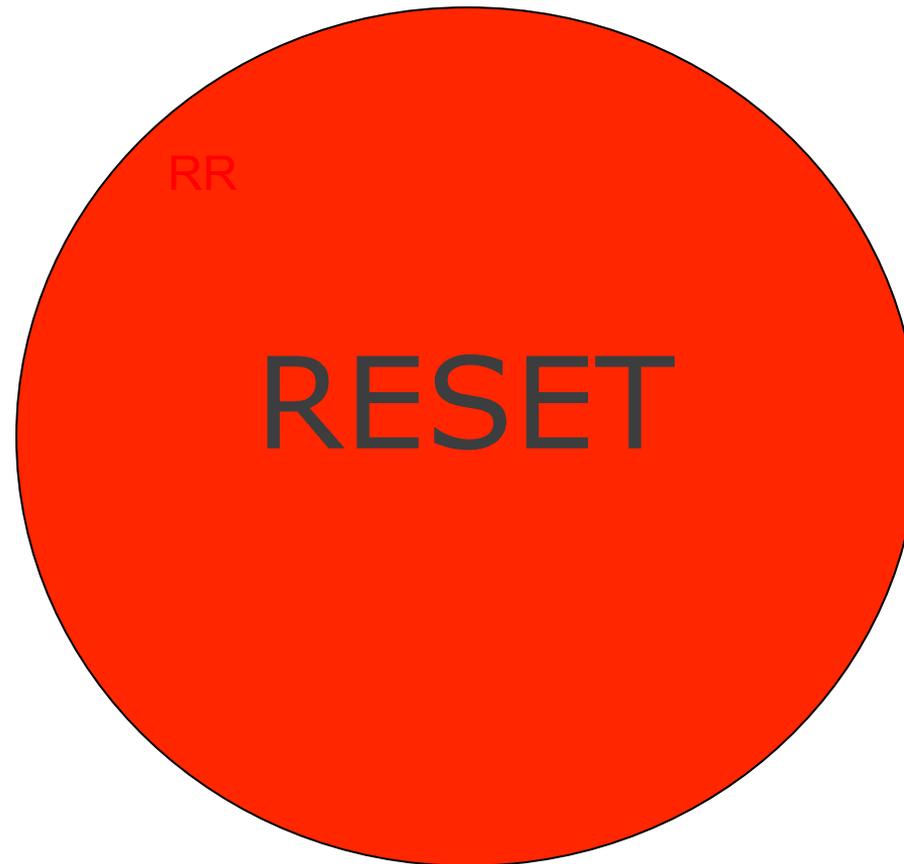
China Spot Iron Ore Prices by Quality vs. Industrial Production



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Brief history

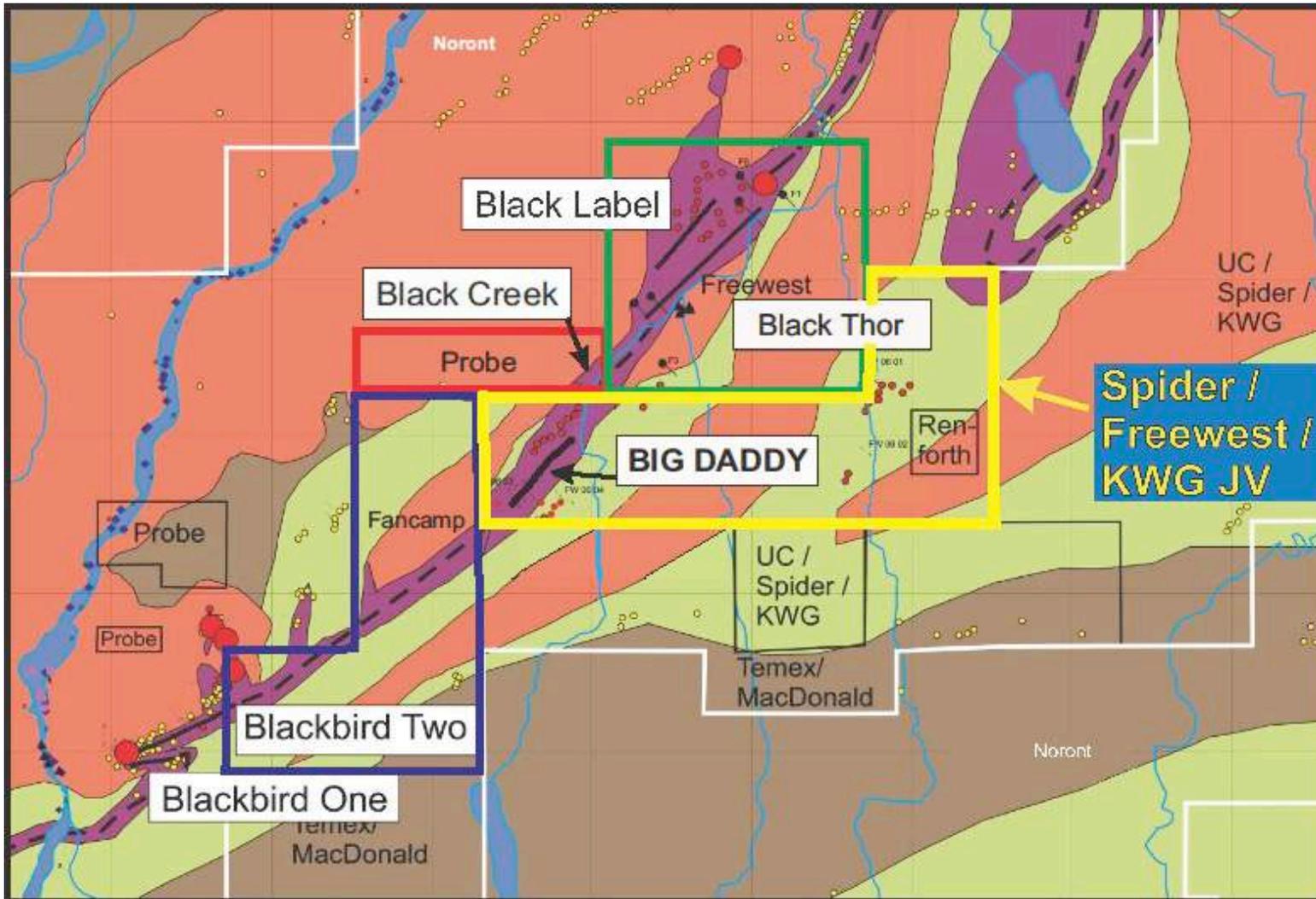


Brief history – Moving forward

- 1-Grow chromite resource
- 2-Develop chromite gas reduction
- 3-Orchestrate railroad development
- 4-Explore First Nation partnerships

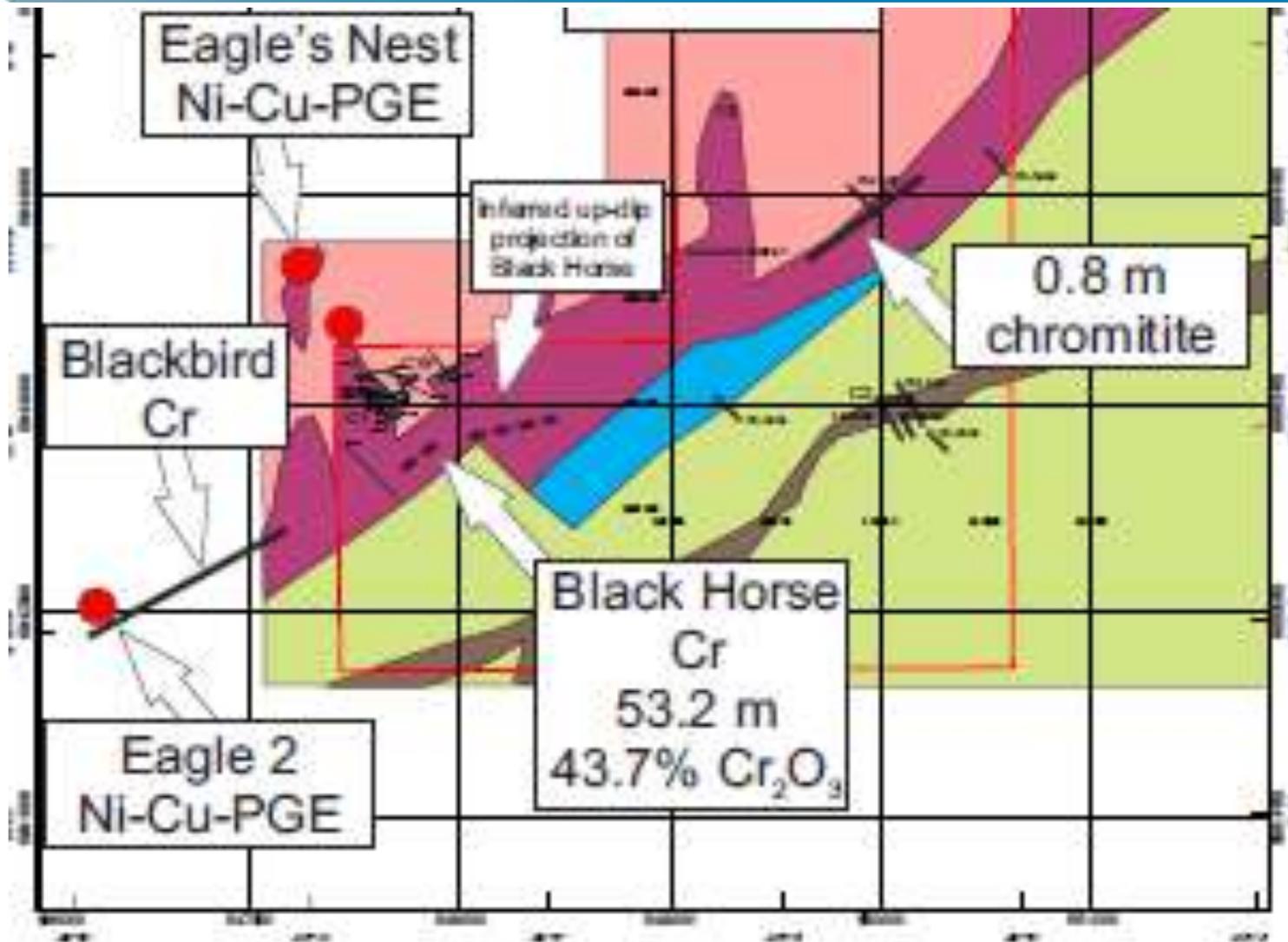
Brief history

In 2013-14 KWG earned a 50% interest in the chromite on the Fancamp claims, the gap in the chromite horizon



Brief history

In 2013-14 KWG earned a 50% interest in the chromite on the Fancamp claims



FN-10-25 - Fancamp discovery hole



- 838.17m to 1048.31m- massive chromitite**
- 210.14m at 43.49% Cr₂O₃ (43.30%)**
- 650 - 850 vertical depth**

FN-10-26

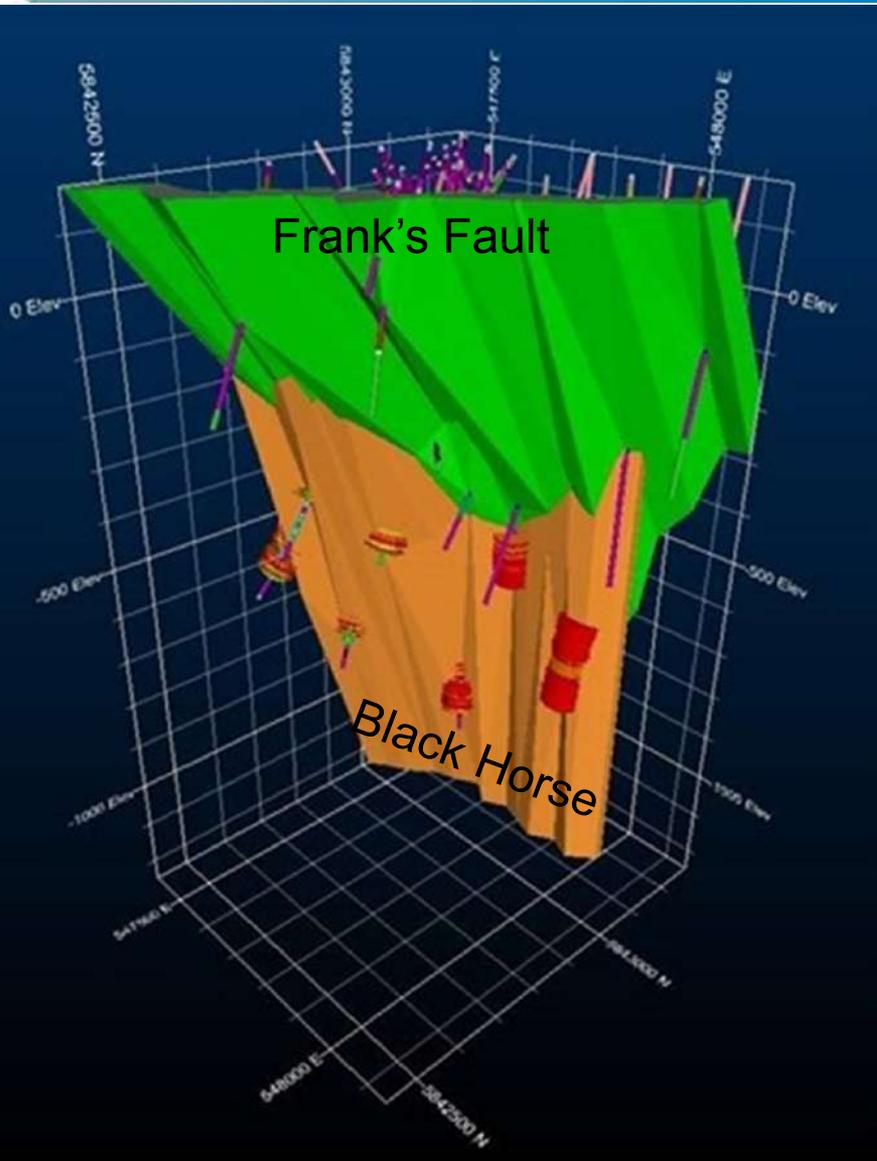
763.5 to 820.63 (57.13m)
550 to 630 vertical
45.04% Cr2O3 (44.55%)

710.72 - 719.72 ; 40.58%
728.74 - 739.79 ; 33.3 %
744.82 - 749.41 ; 41.46 %
756.86 - 762.35 ; 44.08 %



Brief history

In 2013-14 KWG delineated the Black Horse chromite deposit

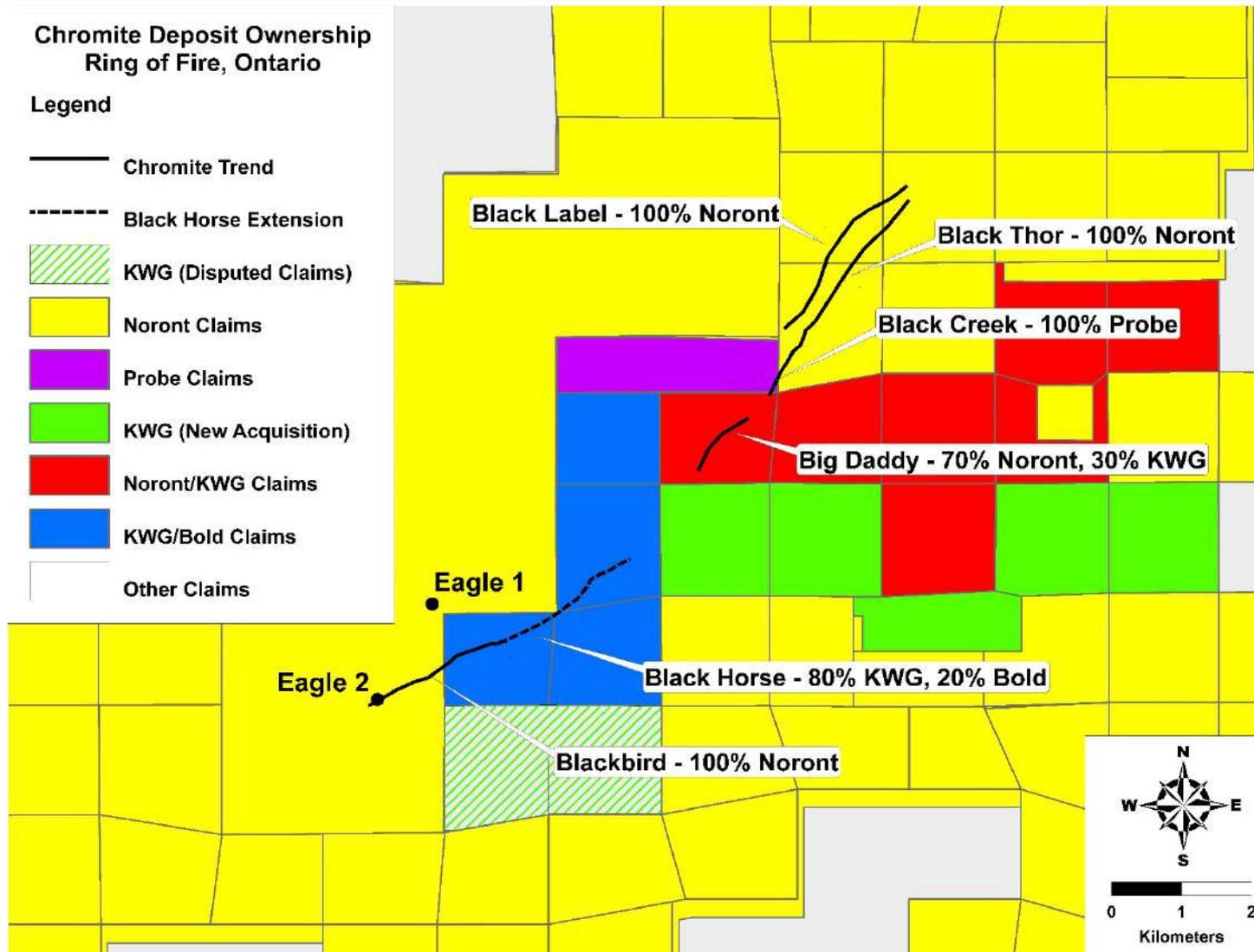


Black Horse Chromite

85.9 MT @ 34.5% Cr₂O₃
43-101 compliant
Inferred Resource

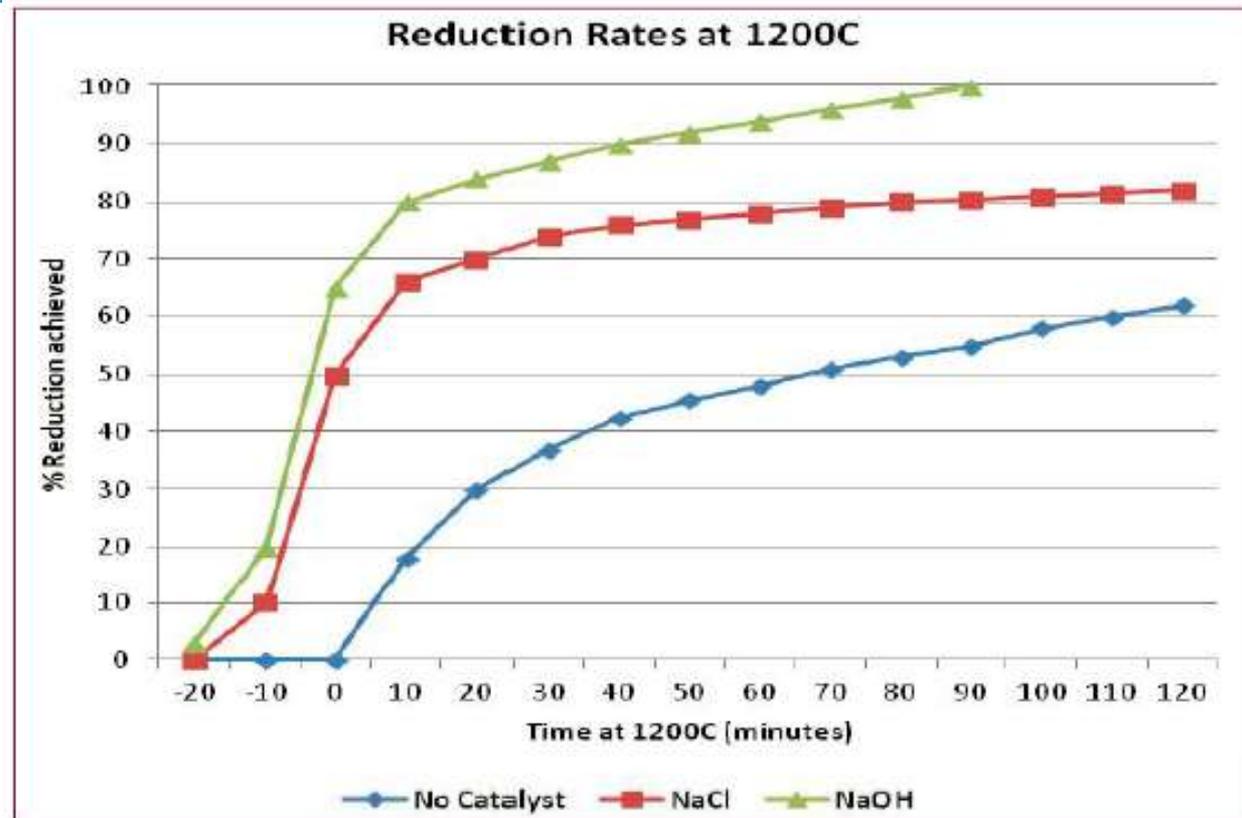
Brief history

The full extent of the Black Horse chromite deposit remains to be determined by drilling.



Brief history

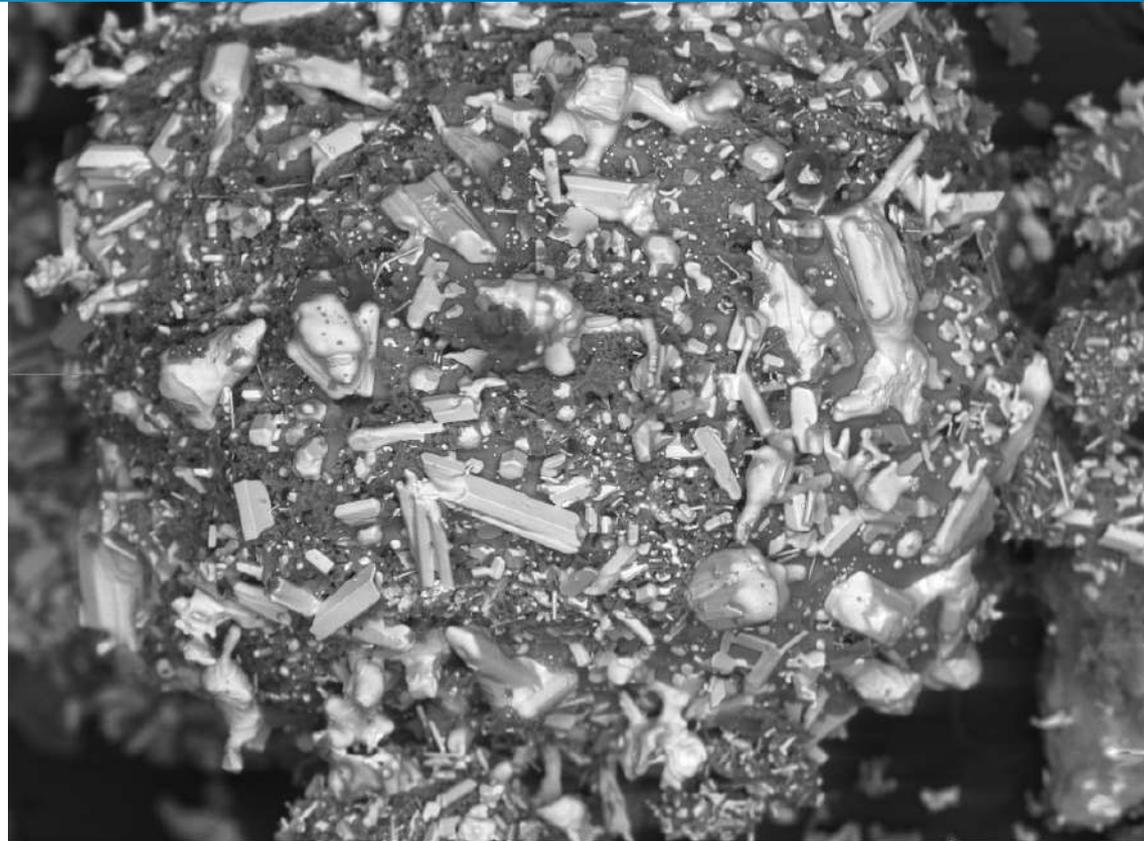
From 2011 to 2015 XPS developed NaOH assisted direct reduction of chromite with natural gas



Brief history

The ferrochrome carbide is easily liberated from the friable matrix

Ferrochrome carbide crystal



Det: BSE Detector
SEM HV: 20.00 kV

WD: 27.0000 mm
SEM MAG: 500 x

200 µm

VEGA\\ TESCAN

Ongoing

No. 232

KWG

Symbol on CSE: **KWG**

Shares issued and outstanding: **871,418,968**

KWG MOVES FORWARD ON GLOBAL PATENT PROTECTION BY UNDERTAKING NATIONAL PHASE OF GAS REDUCTION PATENT CLAIM WITH FILINGS IN KEY FERROCHROME-PRODUCING COUNTRIES: CANADA, CHINA, INDIA, INDONESIA, JAPAN, KAZAKHSTAN, SOUTH AFRICA, SOUTH KOREA, TURKEY, USA

Toronto, Canada, March 22, 2016 – **KWG Resources Inc. (CSE: KWG) (FRANKFURT: KW6)** (“KWG”) is in the process of filing the National Phase in the above-identified countries under the Patent Cooperation Treaty to seek patent grants for its method to reduce chromite ore to metallics utilizing natural gas, a carbon reductant, and a catalyst formulation. The grant of a patent will be sought for the invention in each of the countries where the method might have commercial application and viability.

KWG Allowed Canadian Patent for Production of Chromium Iron Alloys Directly from Chromite Ore

14 Dec 2017

SOUTH AFRICA ACCEPTS KWG PATENT APPLICATION – CANMET MINING PUBLISHES EXCELLENT REDUCTION TEST RESULTS

25 Jan 2018

Kazakhstan Patent Issued to KWG for Chromite Direct Reduction Method

28 Mar 2018

Ongoing

2015 – 2020 - Though CanMET, the Canadian government committed \$8 million to study all aspects of chromite processing, with a focus on developing a deep understanding of direct reduction by natural gas.



Natural Resources
Canada

Ressources naturelles
Canada



NATURAL RESOURCES CANADA – INVENTIVE BY NATURE

Canadian Chromite R&D Initiative

Canada 

Next step

Pilot scale testing
ESS furnace, at Mintec, Randburg,
South Africa



Railroad

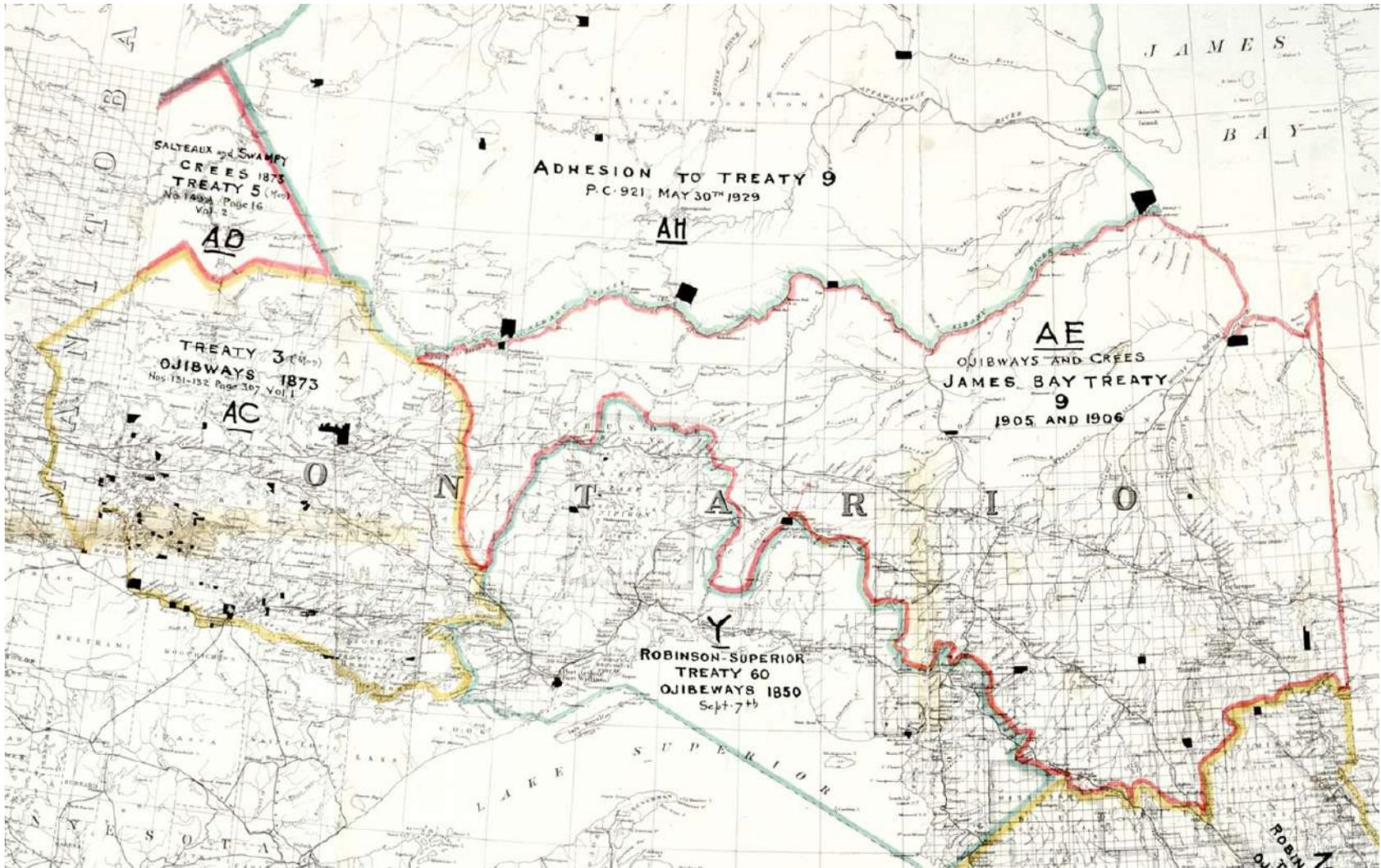
KWG AND CHINA RAILWAY FSDI INK STRATEGIC COOPERATION AGREEMENT – FSDI TO COMPLETE CONDITIONAL BANKABLE FEASIBILITY STUDY

22 Aug 2016

TORONTO, ONTARIO–(Aug. 22, 2016) – KWG Resources Inc. (CSE:KWG) (FRANKFURT:KW6) (“KWG”) announces that it has entered a Framework Strategic Cooperation Agreement with China Railway First Survey & Design Institute Group Co., Ltd. (“FSDI”). Pursuant to the Strategic Cooperation Agreement, the parties have also executed a Conditional Bankable Feasibility Study Consultation Service Agreement (“BFSCS”). Under terms of the BFSCS the parties have agreed on the deliverables and timetable for FSDI to complete a Conditional Bankable Feasibility Study on a railroad from the mineral properties in Ontario’s *Ring of Fire* to a junction with the CN Railroad at Exton, Ontario.

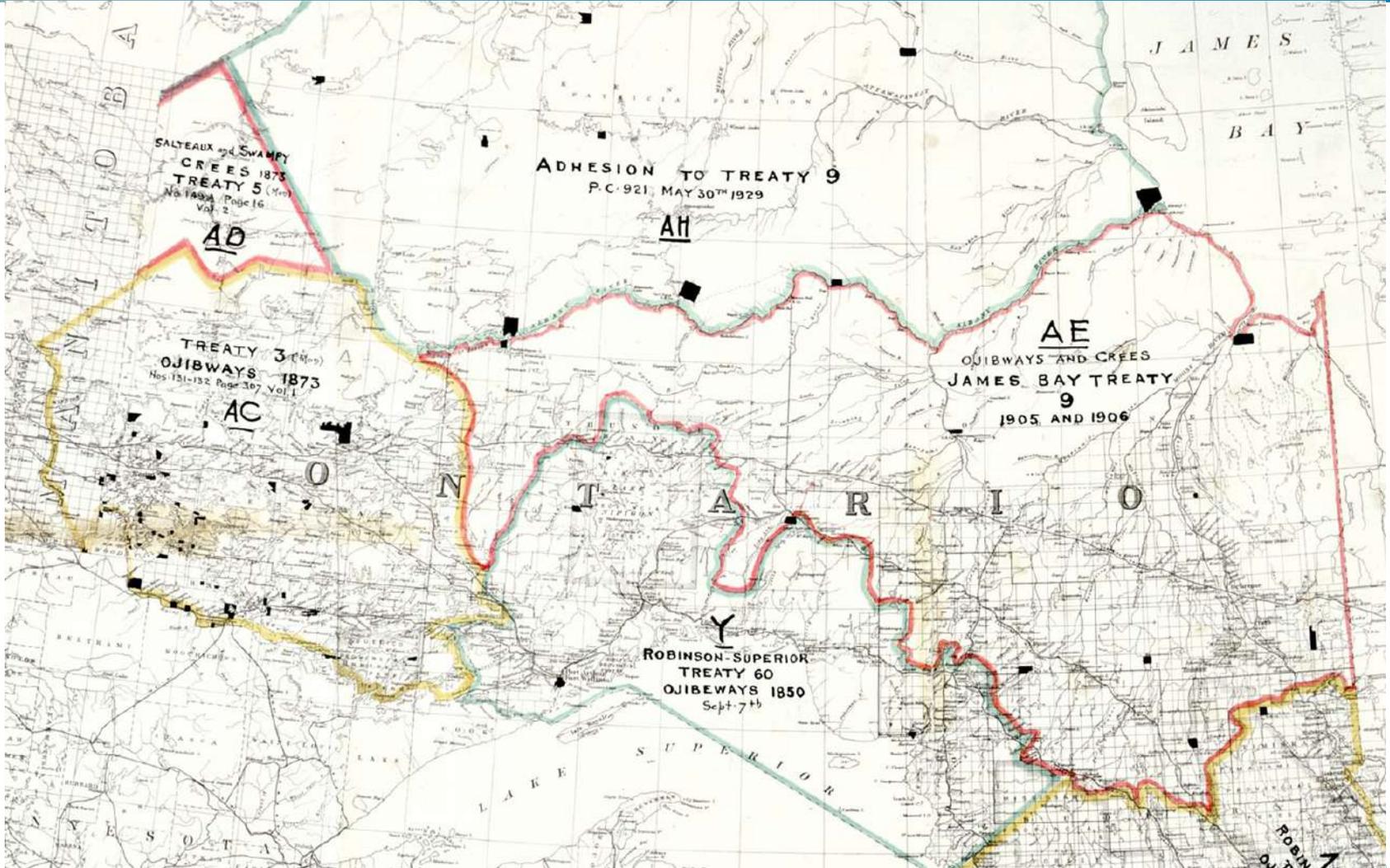
First Nations

KWG wishes to honour the spirit of the treaties and share the land



First Nation

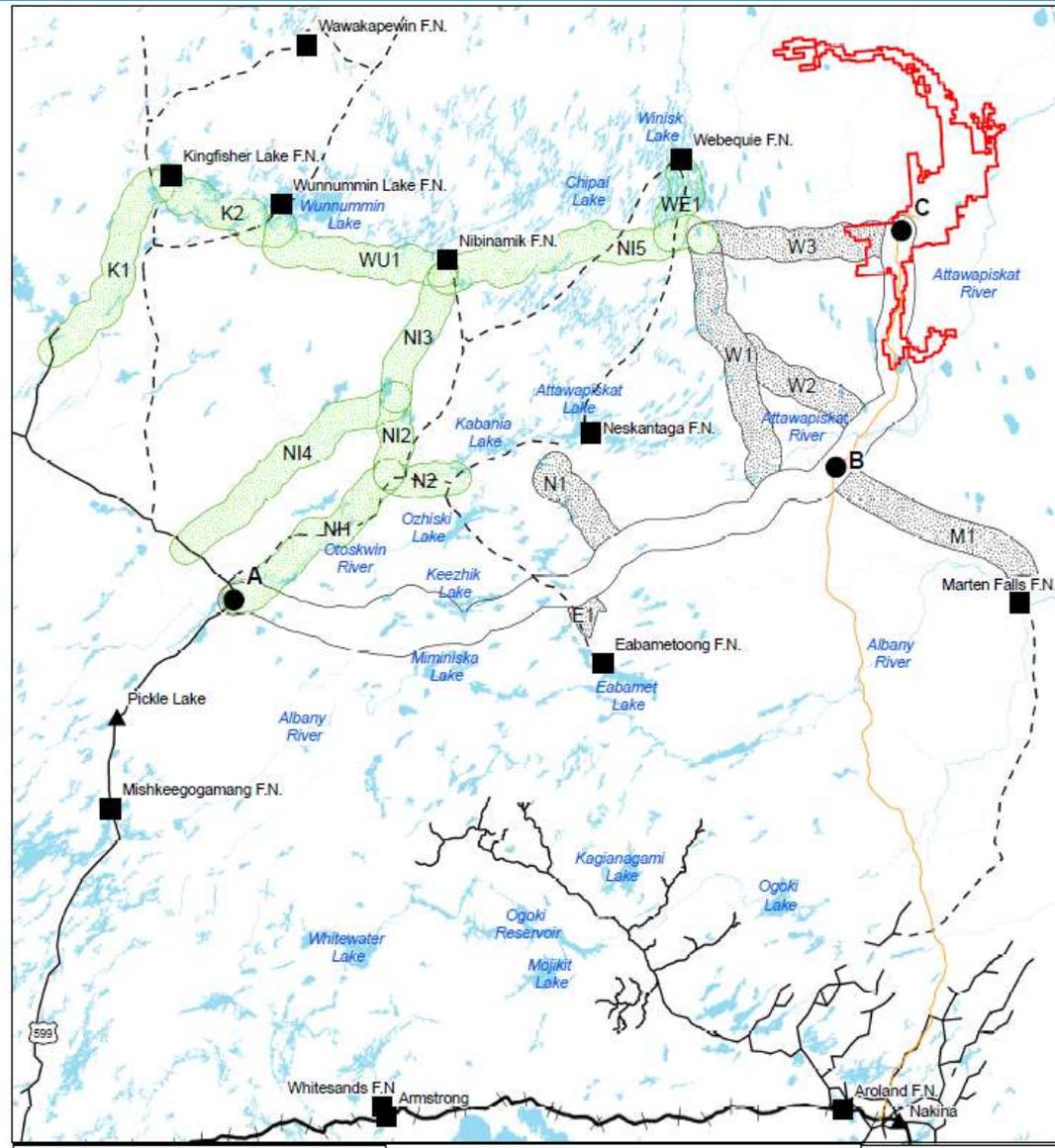
Building mine infrastructure cannot happen in isolation of First Nation needs and desires.



FIRST NATIONS

Green Forrest Management Inc
Terrain analysis.

The province of Ontario has
Funded several First Nations to
prepare road alternatives studies
For submission to the EA process



FIRST NATIONS

KWG PROPOSES PARTNERSHIP WITH WEBEQUIE & MARTEN FALLS

02 Jun 2016

TORONTO, ONTARIO–(June 2, 2016) – In meetings this week **KWG Resources Inc. (CSE:KWG)(FRANKFURT:KW6)** (“KWG”) has discussed with the Chiefs of the Webequie and Marten Falls First Nations an outline of principal terms for the possible creation of an equal partnership through which to undertake the development and exploitation of mineral deposits in the *Ring of Fire*.

“A little more than a year ago now, we welcomed the Webequie and Marten Falls First Nations joining forces to act together in concluding a ‘Negotiation Protocol Respecting Early Exploration in the Ring of Fire,’” said KWG President Frank Smeenk. *“The railroad feasibility study that China Railway FSDI proposes to undertake for us is based on the railroad being part of the large-volume underground chromite mining operations being envisaged to supply a gas reduction processing facility where the chromite would be upgraded to ferrochrome. Those mining and transportation capital assets will be largely located within the traditional territories of Webequie and Marten Falls.*

KEY HURDLES

- 1- Drill Black Horse deposit to support feasibility study and EA
- 2- Commercialize gas reduction of chromite to ferrochrome
- 3- Securing offtake agreements
- 4- Finding a senior partner to build and finance railroad
- 5- Structuring ownership; First Nation–Government–KWG
- 6- Seek financing to develop chromite mine and reduction facilities