

PRESS RELEASE

KWG

No. 137

Symbol on TSX Venture Exchange: KWG
Shares issued and outstanding: 691,577,273

KWG COMPLETES NON-BROKERED PRIVATE PLACEMENT

Montréal, Canada – December 31, 2012 – **KWG Resources Inc. (TSX-V: KWG)** (“**KWG**” or the “**Company**”) has completed a non-brokered private placement (the “**Placement**”) of 24,398,332 common shares of the Company issued on a “flow-through” basis at a price of \$0.06 per share for aggregate gross proceeds of \$1,463,900. The proceeds from the Placement will be used for eligible flow-through exploration expenses and will be renounced for the 2012 taxation year. Marquest Capital Markets received a cash finder’s fee in the amount of \$87,834 as well as a fee in the amount of \$2,825 (inclusive of tax) for certain corporate finance and due diligence services provided to KWG in connection with the Placement.

The shares issued in the Placement are subject to a hold period expiring on April 29, 2013.

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For further information, please contact:

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