

PRESS RELEASE

No 16

KWG

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KWG, SPIDER AND FREEWEST INTERSECT 45.6 METRES OF MASSIVE CHROMITE IN CONTINUING DRILLING PROGRAM AT MCFAULDS PROJECT, ONTARIO

Toronto, Ontario - August 19, 2008 - **KWG RESOURCES INC.** (TSX VENTURE: KWG) ("KWG"), Spider Resources Inc. (TSX VENTURE: SPQ) ("Spider") and Freewest Resources Canada Inc. (TSX VENTURE: FWR) ("Freewest") announce today that the current drill program financed by the Spider-KWG Joint Venture on the Freewest Option has thus far completed 4 additional diamond drill-holes in the current program. The drilling program on the Freewest option property is located approximately 3.6 kilometres northeast of Noront Resources Ltd.'s ("Noront") Eagle One Magmatic Massive Sulphide (Nickel Copper and PGM) and 5 kilometres NE of Noront's Blackbird One and Two (Chromite) discoveries. Although assay results for these recent drill-holes are pending, the Company is pleased to advise that the previously postulated thickening of the Chromite layers has been confirmed.

Highlights

- Recently completed drilling indicates a thickening of chromite beds of up to 45.6 metres.
- Further drilling is required with the goal of completing a NI 43-101 compliant mineral resource for chromite on the property.

Previously announced (11 June '08, dated 2 May '08, 29 June '06) the drilling results from the massive chromitite layers discovered in a peridotite sill encountered in drill-holes **FW-06-03** (34.5% Cr₂O₃/1.03 meters), hole **FW-08-05** (35.6% Cr₂O₃/7.5 metres), hole **FW-08-06** (multiple intercepts like 7.15% Cr₂O₃/7.5 metres and 9.73% Cr₂O₃/6.9 metres) and hole **FW-08-07** (30.73% Cr₂O₃/14.4 metres). In addition to the Chrome elevated Platinum, Palladium and Gold have been detected (2.183 g/t (Pt + Pd + Au) over 9.0 metres). Due to the early stage of exploration, true width of the Chromitite intersections are unknown.

The current program has demonstrated that the massive chromitite beds or lenses intersected in these earlier drill-holes are increasing in their apparent thickness with successive step-out holes to the North East (down the apparent dip of the Peridotite Sill complex) as summarized in the following summary table:

HOLE ID	INCLINATION	FROM (M)	TO (M)	INTERVAL (M)	BRIEF DESCRIPTION
FW-08-12	-50 deg	208.3	210.1	1.8	Semi Massive to Massive Chromite
		228.25	237.9	9.6	Semi Massive to Massive Chromite
		237.9	240.6	2.7	Massive Chromite
		240.6	248.5	<u>8.3</u>	Minor Chromite
				29.6 m	Interval thickness
		252.25	260.7	8.4	Massive Chromite (lower fault contact)
FW-08-13	-50 deg	78.4	82.3	3.9	Massive Chromite
		82.3	85.2	2.9	Semi Massive Chromite
		90.25	102	<u>11.75</u>	Massive Chromite
				19.5	Interval thickness
		102	109.8	7.8	Semi Massive Chromite
		109.8	111	1.2	Massive Chromite
		111	117	6.0	Semi Massive Chromite
		117	142.1	<u>25.1</u>	Massive Chromite
				39.1	Interval thickness
FW-08-14	-50 deg	36.2	81.8	45.6	Massive Chromite
		82.3	103.5	<u>21.2</u>	Semi Massive Chromite
				67.8	Interval thickness
FW-08-15	-50 deg	160	164.1	4.1	Fault Zone – With Massive Chromite present as Fragments in the Fault Zone
		164.1	171.3	<u>7.2</u>	Massive Chromite
				11.3	Interval thickness

The intersections contained in the above table include comments on visual descriptions of mineralized intercepts, there are no guarantees that assay results will support or confirm these visual results, assays are pending. While the true width of the many Chromitite beds remains unknown, primarily due to the fact that the chrome enriched bodies' limits are undefined as to depth, length or attitude, the Chromitite beds appear to be present in distinct cycles consisting of 'couplets' of semi massive (thin centimetre thick bands of Chromite sandwiched between barren sections of the peridotite host rock with or without sections of containing only disseminated Chromite) of varying thickness. This 'graded' sequence transitions to or grades downwards into the massive Chromitite (+metre thick) beds. The lower massive Chromitite beds in several holes were terminated by faults that may have displaced part of the massive bed or lenses and the semi-massive couplet. This faulting may have also caused some 'stacking' or repetition of the Chromitite bed sequence.

Drill-hole **FW-08-12** intersected 2 (and possibly 3) distinctly massive beds or zones of numerous thin beds of Chromitite separated by bands of the host rock. This Drill-hole is a 50 metre step-out to the NE from Drill-hole FW-08-07 where 30.73% Cr₂O₃/14.4 metres, previously reported.

Drill-hole **FW-08-13** intersected 2 distinctly massive beds or zones of numerous thin beds of Chromitite separated by bands of the host rock. This Drill-hole is a 50 metre step out to the south (grid) from Drill-hole FW-08-07.

Drill-hole **FW-08-14** intersected 1 distinctly massive bed or zone of numerous thin beds of Chromitite separated by bands of the host rock. This Drill-hole is a 50 metre step out to the North (grid north) from Drill-hole FW-08-07.

Drill-hole **FW-08-15** has been collared 50 metres grid north of Drill-hole FW-08-07 to undercut FW-08-14 and parallel FW-08-12. Only one massive Chromitite bed was encountered in this Drill-hole and its top and the thinly bedded 'Semi-massive' appears to have been displaced by a fault.

Drilling to date has demonstrated that the massive Chromitite beds cover an area of 150 metres by 200 metres and this occurrence is open on strike to the northeast, southwest, and down dip.

The Joint venture partners are encouraged by the apparent thickening of the massive Chromitite beds to the northeast, with the potential for grade and tonnage development in addition to the significant presence of Gold and Platinum (**FW-08-07** 2.183g/t (Pt+Pd+Au) over 9.0 metres). The partners are now considering additional drilling as required for resource definition drilling.

Internal research by management of the joint venture, on chrome suggests that the Chromitite occurrences encountered in the drill-holes on the Freewest Option are, from a geological perspective, similar to those encountered in the Bird River Sill located in Manitoba (reference: WWW.GOV.MB.CA/CTT/MRD/GEO/FIELD/ROA01PDFS/01GS-19.PDF) or Outokumpu's Kemi Chrome Mine in Northern Finland. At the Kemi mine, up to 11 Chromite beds or lenses are found 50 to 200 metres above the base of a Precambrian aged mafic to ultramafic sill-like intrusion (WWW.GL.RHBNC.AC.UK/GEODE/FENNOSCANDIA/KEMI.HTML). These chromite lens are found over an area 4.5 kilometres long and are 5 to 105 metres wide and up to 40 metres thick (WWW.TUNNELBUILDER.COM/ROCKREINFORCEMENT/EDITION2PDF/PAGE83.PDF). The initial resource reported by Outokumpu was 150 million tons grading 28.6 % Cr₂O₃ and in 1999 the US Government estimated that the Kemi Deposit contained "70 million metric tons (Mt) of proven and probable reserves and additional resources of about 150 Mt (Metal Bulletin, 1999a)" (MINERALS.USGS.GOV/MINERALS/PUBS/COUNTRY/1999/9413099.PDF). These estimates were prepared prior to the implementation of National Instrument 43-101 standards for reporting resources and reserves, but are offered to demonstrate the relative large size potential size of this style of mineralization and although the Joint Venture results to date are encouraging considerable more drilling is required.

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.

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