

Symbol on CSE: KWG
Subordinate shares issued & outstanding: 1,017,658,227

Symbol on CSE: KWG.A
Multiple-voting shares, issued & outstanding: 99,410

KWG ALLOWED CANADIAN PATENT FOR PRODUCTION OF CHROMIUM IRON ALLOYS DIRECTLY FROM CHROMITE ORE

Toronto, Canada, December 14th, 2017 - **KWG Resources Inc.** (CSE: KWG; KWG.A) (FRANKFURT: KW6) ("KWG") has received from the Canadian Intellectual Property Office the formal Notice of Allowance that a Patent for PRODUCTION OF CHROMIUM IRON ALLOYS DIRECTLY FROM CHROMITE ORE will be issued upon payment of the specified fee. As permitted, the Company intends to indicate upon publication of the issued Patent that it is available for licence.

"This is thrilling news for The Ring of Fire", said KWG CEO Frank Smeenk. "We believe the direct reduction method can be combined with exceptionally low-cost Canadian energy to potentially provide this very large chromite discovery with tremendous production cost advantages. The method will also be improved by the further research work recently completed under the Chromite Research Project of Natural Resources Canada's CANMET Mining laboratories. The award of this Patent will enable us to now vigorously pursue an opportunity to further develop the process with pilot plant testing in one of the strategic locales that have been under consideration."

About KWG:

KWG is the Operator of the Black Horse Joint Venture after acquiring a vested 50% interest through Bold Ventures Inc. which is carried for 10% (20% of KWG's equity in the JV) by KWG funding all exploration expenditures. KWG also owns 100% of CCC which has staked claims and conducted a surveying and soil testing program, originally for the engineering and construction of a railroad to the Ring of Fire from Aroland, Ontario. KWG subsequently acquired intellectual property interests, including a method for the direct reduction of chromite to metalized iron and chrome using natural gas. KWG subsidiary Muketi Metallurgical LP is prosecuting two chromite-refining patent applications in Canada, India, Indonesia, Japan, Kazakhstan, South Africa, South Korea, Turkey, and USA. The national phase filings are under review in each of those jurisdictions.

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Forward-Looking Statements: *Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and KWG disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any securities that may be described herein and accordingly undue reliance should not be put on such. Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this news release.*