

PRESS RELEASE

No. 41

KWG

Symbol on TSX-Venture Exchange: **KWG**
Shares issued and outstanding: **403,468,877**

KWG RESOURCES INC. SIGNS AMENDMENT TO OPTION AGREEMENT FOR McFAULDS JOINT VENTURE PROPERTY WITH FREEWEST RESOURCES CANADA INC. AND SPIDER RESOURCES INC.

- *Freewest Grants Options to KWG and Spider to Earn an Aggregate 10% Additional Interest by Incurring \$15 Million in Expenditures by March 2012*
- *KWG and Spider Each Currently Holds a 25% Interest in McFaulds Joint Venture Property*

Montreal, Canada – September 14th, 2009 – **KWG Resources Inc. (KWG:TSX-V)** (“KWG”) announces that KWG, Freewest Resources Canada Inc. (**FWR:TSX-V**) and Spider Resources Inc. (**SPQ:TSX-V**) have amended their December 2005 Option Agreement with respect to Freewest’s McFaulds joint venture property located in Ontario. Each of KWG and Spider has to date earned a 25% interest in the McFaulds joint venture property.

Under the Amended Option Agreement, Freewest has granted additional options to KWG and Spider under which each can earn an additional 5% undivided interest (10% in the aggregate) in the McFaulds joint venture property by incurring an additional \$7.5 million in expenditures (\$15 million in the aggregate) by March 31, 2012. Each of KWG and Spider can acquire: (i) an additional 1.5% interest in the McFaulds joint venture property by incurring \$2.5 million in expenditures by March 31, 2010, which KWG and Spider have committed to spend; (ii) an additional 1.5% interest in the property by incurring an additional \$2.5 million in expenditures by March 31, 2011; and (iii) an additional 2% interest in the property by incurring an additional \$2.5 million in expenditures by March 31, 2012. If either KWG or Spider elects not to exercise any portion of its option under the Amended Option Agreement, the other has the right to exercise the option in its place.

Alternatively, if one or more of the optionees incurs at least \$5 million in expenditures and delivers a positive feasibility study to the two other parties on or before March 31, 2012, such optionee or optionees, as the case may be, will be deemed to have earned the aggregate 10% interest in the McFaulds joint venture property, notwithstanding that less than \$15 million of expenditures were incurred prior to that date. Any decision to undertake a positive feasibility study must be made by the operator of the McFaulds joint venture project, who must notify Freewest of any such decision on or before March 31, 2011.

The Amended Option Agreement further provides that KWG and Spider will alternate as operator of the McFaulds joint venture project for one-year terms, until March 31, 2012, with Spider acting as initial operator until March 31, 2010. The three parties will decide on the operator for the period after March 31, 2012 by way of majority vote.

The Amended Option Agreement also provides that upon the earlier of the termination of the option period, or KWG and Spider acquiring an aggregate 60% interest in the McFaulds joint venture property, a Joint Venture Agreement among the three parties will automatically enter into effect. The Joint Venture Agreement is a schedule to the Amended Option Agreement.

Forward Looking Information:

This press release contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that KWG believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to the exploration work on the Freewest Option) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of KWG based on information currently available to KWG. Forward-looking statements are subject to a number of significant risks and uncertainties and other factors that may cause the actual results of KWG to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on KWG. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to the failure to complete the exploration work.

Any forward-looking statement 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 statement, whether as a result of new information, future events or results or otherwise. Although KWG believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guaranteed of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

About KWG Resources Inc.

KWG Resources is a mineral exploration company with extensive claim holdings in the James Bay Lowlands of Northern Ontario, Canada, where important discoveries of nickel and chrome have been made recently in the Ring of Fire. KWG has an equal joint venture interest in a large claim block in the central part of the discovery area, with Spider Resources Inc. The joint venture is developing the Big Daddy chromite deposit adjacent to the Black Thor and Black Label chromite discoveries of Freewest Resources. KWG holds a 1% net smelter royalty in all three deposits and has created Canada Chrome Corporation to pursue the development of them.

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