

PRESS RELEASE

**KWG RESOURCES INC.**

Symbol on TSX-Venture Exchange:

No 49

**KWG**

Shares issued and outstanding: **403,468,877**

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**KWG PLACEMENT RAISES \$3.1 MILLION**

Montreal, Canada, December 7<sup>th</sup>, 2009 – **KWG Resources Inc (TSXV: KWG)** has completed the private placement of 47.5 million units for proceeds of \$3.1 million. Each unit was comprised of one flow-through share and one-half common share purchase warrant. Each whole warrant may be exercised to purchase one common share from treasury at a price of \$0.10 at any time within one year (a “Warrant”). Finders’ fees totalling 2.2 million units were paid to five qualified parties and each such unit was comprised of one non flow-through share and one-half Warrant. All common shares acquired in both the flow-through and non flow-through units are subject to a four-month hold period.

Following these placements KWG will have 453 million shares issued and outstanding and the Company has therefore made application to list 11.2 million shares that may be issued from the exercise of stock options, upon shareholder ratification of the Board resolution increasing the plan limit from the current 28.8 million shares reserved for options.

The Company also announces the resignation of Michel Côté from its Board of Directors. The Board’s Corporate Governance and Nominating Committee will shortly recommend a successor for appointment to fill the vacancy.

***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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