

KWG

PRESS RELEASE

No. 266

Symbol on CSE: KWG
Subordinate voting shares issued & outstanding: 1,018,752,027

Symbol on CSE: KWG.A
Multiple voting shares issued & outstanding: 76,716

KWG ANNOUNCES CLOSING OF THE LAST TRANCHE OF THE PREVIOUSLY ANNOUNCED PRIVATE PLACEMENT AND EXERCISE OF CONVERTIBLE DEBENTURE

Toronto, Canada, August 1, 2017 – **KWG Resources Inc. (CSE: KWG) (FRANKFURT: KW6)** (“KWG” or the “Company”) is pleased to announce closing today of an additional tranche of its previously announced private placement (the “**Private Placement**”) of units (each, a “**Unit**”) at a price of \$0.021 per Unit (see the Company’s news releases dated March 3, 2017, March 31, 2017, June 6, 2017 and July 5, 2017). The Company issued a total of 2,868,428 Units for aggregate gross proceeds of \$60,237. Each Unit is comprised of one subordinate voting share of the Company (each, a “**Subordinate Voting Share**”) and one full warrant (each, a “**Warrant**”). Each Warrant entitles the holder to purchase one Subordinate Voting Share at a price of \$0.05 at any time within 60 months from the date of issuance of the Warrant.

The Company also issued today an aggregate of 5,357,160 Subordinate Voting Shares at a price of \$0.05 per share for gross proceeds of \$267,858 pursuant to the exercise of conversion rights in a convertible debenture issued on October 18, 2016.

The gross proceeds received by the Company from the sale of the Units will be used by KWG principally to improve its financial position, to pay the fees associated with this Private Placement and for general corporate expenses.

All of the securities issued pursuant to this Private Placement are subject to a four (4) month hold period.

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 filings have been receipted in each of those jurisdictions.

For further information, please contact:

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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 the Company 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 of the securities described herein and accordingly undue reliance should not be put on such.*

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