

PRESS RELEASE

KWG

Symbol on CSE:
Shares issued and outstanding:

No. 252
KWG
966,320,281

KWG ANNOUNCES AMENDMENT OF AUTHORIZED CAPITAL

Toronto, Canada, February 8th, 2017 – **KWG Resources Inc. (CSE: KWG) (FRANKFURT: KW6)** (“KWG” or the “Company”), is pleased to announce that, following approval by the shareholders at the last annual and special meeting of shareholders held on August 18, 2016, the board of directors determined a date for implementation of the amendment of Company’s authorized capital (i) to change the classification of each of the existing common shares of the Company into one convertible subordinate voting share (each a “**Subordinate Voting Share**”) (the “**Reclassification**”), and (ii) to create an unlimited number of convertible shares to be designated as multiple voting shares (each a “**Multiple Voting Share**”). The Reclassification is scheduled to become effective at the opening of markets on Tuesday, February 14, 2017.

Three hundred (300) Subordinate Voting Shares are convertible at the option of the shareholders at any time into one (1) Multiple Voting Share. Similarly, each one (1) Multiple Voting Share is convertible at the option of the shareholders at any time into three hundred (300) Subordinate Voting Shares. At all meetings of shareholders, shareholders are entitled to cast one (1) vote for each one (1) Subordinate Voting Share and to cast three hundred (300) votes for each one (1) Multiple Voting Share. Dividend and liquidation rights for each Multiple Voting Share are correspondingly three hundred times the dividend and liquidation rights for each Subordinate Voting Share.

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, China, India, Indonesia, Japan, Kazakhstan, South Africa, South Korea, Turkey, and USA. The filings have been receipted 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 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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