

## PRESS RELEASE

No. 138

**KWG**

Symbol on TSX Venture Exchange: **KWG**  
Shares issued and outstanding: **691,577,273**

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### **KWG, BOLD VENTURES JOIN FORCES TO DRILL BLACK HORSE CHROMITE DISCOVERY TO DETERMINE ECONOMIC FEASIBILITY**

Toronto, Canada, February 4<sup>th</sup>, 2013 – KWG Resources Inc. (TSXV: KWG) announces that it has agreed to fund Bold Ventures Inc. (“Bold”) as the Operator to drill off the Black Horse chromite discovery, commencing with an initial program starting as soon as the transaction with Bold closes. The intent of the program is to determine whether this chromite mineralization occurs in sufficient quantity and quality to demonstrate the feasibility of mining it and transporting it to market by rail via the claims of KWG subsidiary Canada Chrome Corporation.

*“The Black Horse discovery encountered 55 meters of 45% chromite, the richest drill core recovered in the Ring of Fire”, said KWG President Frank Smeenk. “There is compelling geological and geophysical evidence to suggest that this mineralization could be part of an extensive continuous emplacement. If this drilling program is able to confirm that, we would wish to be the first Canadian companies to develop markets for the Ring of Fire chromite by providing transportation over Canada Chrome Corporation’s contiguous claims.”*

Bold recently concluded a four-stage option to acquire the Black Horse claims from Fancamp Exploration Ltd., subject to Fancamp retaining a price-variable gross metal royalty (the “Fancamp Option”). Under the terms of an agreement now concluded between KWG and Bold Ventures, KWG can acquire up to 80% of Bold’s interest in the Fancamp Option by funding 100% of Bold’s earn-in expenditures and option payments. The current program has budgeted \$2 million to drill the chromite horizon. An additional \$1 million has been budgeted to drill a contiguous possible nickel target.

For nickel and other non-chromite minerals identified during the exploration programs, the parties have agreed to form a joint venture in which KWG has a 20% working interest. KWG will have a right of first refusal to purchase all ores or concentrates produced by such joint venture whenever its JV interest exceeds 50%. The agreement with Bold is subject to due diligence, all necessary approvals, and is expected to close by February 21, 2013.

Bold’s interest in the 20% carried interest for chromite and the 80% participating interest for nickel and other non-chromite minerals is subject to Bold’s Option Agreement with 2282726 Ontario Limited (“Bold’s Co-Venturer”), a subsidiary of Dundee Corporation. Under the Option Agreement, Bold’s Co-Venturer may earn a 33-1/3% interest in Bold’s Ring of Fire activities around the area of Bold’s Ring of Fire claims in Ontario (the “Bold

ROF Project”) by funding \$2.5 million of exploration work, over \$2.0 million of which has been expended to date. Reference is made to Bold’s Press Release dated May 31, 2011 for further particulars. Once Bold’s Co-Venturer earns its 33-1/3% interest, a joint venture will be formed between Bold’s Co-Venturer and Bold giving Bold’s Co-Venturer the right to participate for up to 33-1/3% in Bold’s ROF Project by funding its portion of the project’s budgets.

*“We are very pleased that this transaction also provides the opportunity to work with such a renowned group of explorationists and financiers, without whom the Ring of Fire would not have been discovered when it was,”* said Smeenk.

**About KWG:** KWG has a 30% interest in the Big Daddy deposit. KWG also owns 100% of Canada Chrome Corporation which has staked claims and conducted a \$15 million surveying and soil testing program for the engineering and construction of a railroad to the Big Daddy Deposit in the Ring of Fire from Exton, Ontario where the Trans Canada line of the Canadian National Railway can be connected.

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