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PRESS RELEASE

KWG RESOURCES INC.

MORE DRILL HOLE RESULTS FROM THE WINTER PROGRAM AT MCFAULDS LAKE #3

* HOLE 60 – 7.16 METERS GRADING 1.9% COPPER *
* HOLE 61 - 3.5 METERS GRADING 2.2% COPPER *

March 7, 2005 – Toronto, Ontario – **KWG RESOURCES INC. (TSXV-KWG)** and joint venture partner **SPIDER RESOURCES INC. (TSXV-SPQ)** announce their receipt of the assay results for the third and fourth holes of the winter drilling program. Drill-hole McF-05-60 intersected a total of 7.16 meters grading 1.9% copper and within drill-hole McF-05-61 intersected 3.5 meters grading 2.2% copper.

The massive sulphide mineralization is similar in nature and geological setting to that observed in drill-hole McF-04-57 where 18.8 meters of 8.02% copper were reported last fall (8 Nov 2004).

Hole Number	Section	Northing	Dip	From	To	Int.	Cu %	Zn %	Au (g/t)	Ag (g/t)
McF-05-60	7+75NE	2+00NW	-48	206.6	213.76	7.16	1.91	0.180	0.21	4.8
McF-05-61	8+50NE	3+00NW	-62	353.6	357.1	3.5	2.19	0.009	0.61	5.0
Previously Announced (8 Nov '04)										
MCF-04-57	L8+00E	1+75N	-70	238.8	257.6	18.8	8.02	0.05		
Previously Announced (17 Feb. '05)										
McF-05-58	7+75NE	2+00NW	-65	266.5	275.7	9.20	5.72	0.022	0.47	13.3
McF-05-59	7+75NE	2+00NW	-70.5	285.04	293.58	8.54	7.91	0.001	0.57	17.6

Drill-hole 60 was targeted to over-cut drill-hole 59 and bracket the top of the westward extent of the copper mineralization located in Holes 57, 58 and 59. The data demonstrates the gradation of the copper into zinc which becomes more predominant higher in the section and closer to surface. Hole 61 was designed to be a 50 meter step out to the east (north east) of the section hosting hole number 57 and it was designed to test the same horizontal elevation as drill-holes 57 and 58. However, this hole flattened while being drilled and missed the target elevation.

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Drill-hole McF-05-62 drilled on section 8+50 was designed to test a deeper section of the volcanic stratigraphy down plunge from the copper bearing drill-holes on sections 7+75 NE and 8+00NE. Hole 62 intersected 20 meters of massive magnetite with minor bands of chalcopyrite. With this information in hand the drill was moved to the McFaulds #1 occurrence where the DHIP geophysical survey showed a deep (500m–550m) untested anomaly within a downwardly projected horizon hosting the McFaulds#1 mineralization. The drill has intersected the downward projection of the zinc mineralization of the McFaulds #1 Zone and has entered a hard massive rhyolite breccia.

Elsewhere on the joint venture properties, the preliminary results of the VTEM airborne survey have been received. Five (5) significant magnetic-electromagnetic anomalies, with a total strike length in excess of 6.0 kilometers have been identified by the Joint venture from the preliminary data. Two of these anomalies are located in the western end of the claim block with one covering 10 flight lines (1.5 kilometers long) and the second being significantly longer and formational in nature. Grids are being cut on the best portions of the targets in preparation for drilling this summer.

On the MacFadyen Diamond Project, drilling will commence this week to complete the hole started last year. This hole is designed to intersect the deep magnetic dike-like structure located peripheral to the five (5) kimberlite pipes discovered on this property. These pipes and the magnetic target are located approximately 2 kilometers to the east of DeBeers' Tango and Tango Extension, and 8 kilometers northwest of the DeBeers Victor Diamond Mine Project.

Finally, the joint venture awaits results from SGS Lakefield on work preformed on two 5-tonne bulk samples collected from the Wawa Property last fall.

All analytical results reported herein are from samples selected during the normal logging process of the drill core as conducted by either Howard Lahti (Ph.D., P.Geo.) or James Burns (P.Eng.) both acting as Independent Qualified Persons ("IQP's") for the project. Samples were individually bagged and delivered from the field office of the joint venture at McFaulds Lake, to ALS Chemex's sample preparation facility in Thunder Bay, Ontario. There they were crushed, split and then sent via bonded air carrier to the ALS Chemex Laboratory in Vancouver, B.C. where the samples were analyzed using ME-MS61 (4-acid digestion – ICP finish) multi-element analysis. The lab, using AA-62 (4-acid digestion – AA finish) for high-grade analysis, reprocessed all samples reported as over-limit internally. Neil Novak (P.Geo.) in his capacity as project manager is responsible for the technical content of this press release.

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FOR FURTHER INFORMATION, PLEASE CONTACT:

FRANK C. SMEENK,
President and CEO
Telephone: (416) 642-3575
Fax: (514) 866-6193

MAURICE MONTPETIT,
Investors' relation
Telephone: (514) 987-7263
Fax: (514) 987-1033

MICHEL CÔTÉ,
Director
Telephone: (514) 866-6001/EXT. 266
Fax: (514) 866-6193

Or visit our website: **WWW.KWG-RESOURCES.COM**

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