

PRESS RELEASE

KWG

No 1
Symbol on TSX-Venture Exchange: **KWG**
Shares issued and outstanding: **124,872,408**

KWG ANNOUNCES CONDITIONAL LISTING APPROVAL FOR \$1 MILLION PRIVATE PLACEMENT

Montréal, Québec, January 26, 2006 – KWG Resources Inc. has received conditional listing approval from the TSX Venture Exchange for a non-brokered private placement of 20,000,000 Units for a total cash consideration of \$1,000,000. Each Unit will comprise one non-flow-through common share and one common share purchase warrant exercisable at a price of \$0.10 during a 24-month period following the closing of the placement. The proceeds will be added to the Company's working capital.

Appointment of a director

KWG is pleased to announce the appointment of Mr. Douglas M. Flett as a director of the Company, to fill the vacancy occasioned by the recent resignation of Mr. Jonathan Challis, of Seven Oaks, U.K. Mr. Flett is a lawyer and author and resides in Toronto.

- 30 -

FOR FURTHER INFORMATION, PLEASE CONTACT:

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THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR
THE ADEQUACY OR ACCURACY OF THIS PRESS RELEASE.