

PRESS RELEASE**KWG RESOURCES INC.****RESULTS FOR THE FIRST TWO DRILL HOLES OF THE
WINTER PROGRAM AT McFAULDS LAKE #3***** HOLE 58 - 9.2 METERS GRADING 5.7% COPPER ****** HOLE 59 - 8.5 METERS GRADING 7.9% COPPER ***

February 17, 2005 – Toronto, Ontario – **KWG RESOURCES INC. (TSXV-KWG)** (“Spider”) and joint venture partner **SPIDER RESOURCES INC. (TSXV-SPQ)** announce receipt of the assay results for the first two holes of their winter drilling program at McFaulds Lake in the James Bay Lowlands. Drill-hole McF-05-58 intersected a total of 10.2 meters (265m – 276.4m) grading 4.84% Copper; within this interval is a 9.2 meter section grading 5.72% Copper. Drill-hole McF-05-59 intersected 10.65 meters (283.8 – 294.5) grading 6.4% Copper; within this interval is an 8.5 meter section grading 7.9% 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 was reported last fall (8 Nov 2004).

Hole #	Section	Northing	Dip	from (m)	to (m)	int (m)	Cu %	Zn ppm	Au ppm	Ag ppm
McF-05-58	7+75NE	2+00NW	-65	265.45	276.4	10.95	4.84	268.8	0.39	11.23
McF-05-58				266.5	275.7	9.2	5.72	226.7	0.47	13.27
McF-05-59	7+75NE	2+00NW	-70.5	283.85	294.5	10.65	6.394	34.3	0.454	14.243
McF-05-59				285.04	293.58	8.54	7.910	14.1	0.562	17.625

Drill-hole 58 was targeted to cut the westward extent of copper mineralization located in McF-04-57 at the same horizontal elevation and drill-hole 59 was designed to be a 50 meter under-cut of drill-hole 58.

Previously announced drill holes in the vicinity of these new drill holes are as follows;

McF-04-57	18.8 meters of 8.02% Copper reported 8 Nov 2004
McF-04-21	13.8 meters of 5.50% Copper reported 18 March 2004, and
McF-04-41	8.0 meters of 6.5% Copper and 3.3% Zinc reported 11 May 2004.

Drill hole McF-05-60, now being assayed, intersected a point 50 meters above hole McF-04-58 on section 7+75NE being 25 meters to the SE and above McF-04-57. Drill hole McF-05-61 was designed to cut the projection of the mineralization at section 8+50 NE to the northeast of and at same elevation of McF-04-57 but surveying indicated the hole flattened and thus intersected the mineralization above the drill hole 57 mineralization by approximately 35 meters. Core from hole 61 is also now being assayed.

Hole McF-05-62 is currently underway and is designed to test the down dip and down plunge extension of the mineralization described above and this hole will be the deepest (-350m vertical) drilled on the McFaulds #3 body (occurrence) of massive sulphide mineralized to date.

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.Geol.) 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.Geol.) in his capacity as project manager is responsible for the technical content of this press release.

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