

PRESS RELEASE

No 08

KWG RESOURCES INC.

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Symbol on TSX-Venture: **KWG**

Shares issued and outstanding: **97,318,251**
Closing price on March 17, 2004: **\$0.30**

TENTH HOLE FROM THE McFAULDS #3 DRILLING LAKE REVEALS 4.4% COPPER OVER 2.5 METERS

Montréal, Québec – March 18, 2004 - **KWG RESOURCES INC.** (the “Company” or “KWG”) and joint venture partner Spider Resources Inc. (“Spider”) announce the results of the tenth drill hole of the McFaulds #3 deposit winter drilling program. Drill Hole **McF-04-29** intersected a 2.5 meter section of heavy sulphide mineralization which returned the following results:

SECTION	STATION	DIP	FROM (M)	TO (M)	INT. (M)	CU (%)	ZN (%)	AU (G/T)	AG (G/T)
8+00	2+00N	-75	326.6	329.4	2.5	4.39	0.01	0.92	8.9

This 10th hole of the current program cut the mineralized section at a depth of approximately 300 meters on section 8+00 NE on an azimuth of Grid-South with a dip of 75 degrees. This hole was designed to test the depth extension of the #3 zone mineralization encountered in Holes McF-04-21 and McF-04-24.

The copper mineralization intersected in hole McF-04-29 is still open and it is expected that copper mineralization of similar thickness as in Hole McF-04-21 (see below) will be found on adjacent lines as well as at depth.

The copper mineralization found in Hole McF-04-29 is approximately 120 meters down the dip slope (approximately 50 m vertically) below McF-04-21 and about 130 meters down slope (approximately 55 m vertically) below McF-04-24. This new intersection demonstrates the lateral continuity of the High-Grade copper mineralization found in the drilling on other sections.

The results below were reported in a press release dated March 1, 2004:

McF-04-21

SECTION	STATION	DIP	FROM (M)	TO (M)	INT. (M)	CU (%)	ZN (%)	AU (G/T)	AG (G/T)
8+00	2+00N	-50	220.55	234.36	13.81	5.5	0.34	0.52	15.4
	Including:		228.96	233.59	4.63	10.4	0.86	0.68	30.7

McF-04-24

SECTION	STATION	DIP	FROM (M)	TO (M)	INT. (M)	CU (%)	ZN (%)	AU (G/T)	AG (G/T)
7+50	2+00	-50	219.0	231.09	12.09	1.81	0.07	0.10	3.36
	Including:		221.5	224.63	3.13	4.21	0.20	0.22	8.55

Drilling has been suspended on the McFaulds #3 and a down-hole geophysical program is planned to provide additional information on the mineralization. A new drilling program will be commenced on McFaulds #3 after spring break-up. In the meantime, the KWG-Spider Joint Venture is drill testing a number of other high priority airborne geophysical targets on which further ground surveys have been completed.

All analytical results reported herein are from samples selected during the normal logging process of the drill core as conducted by site geologist, Roger Thomas, M.Sc. (P. Eng.), an independent qualified person. Samples were individually bagged and delivered under bond from the field location to ALS Chemex's sample preparation facility in Thunder Bay, Ontario where they were crushed, split and then sent via bonded air courier 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. All samples reported as an "over-limit" result are reprocessed internally by the lab using AA-62 (4 acid digestion – AA finish) for high-grade analysis.

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