

PRESS RELEASE

No 13

KWG RESOURCES INC.

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Symbol on TSX-Venture: **KWG**

Shares issued and outstanding: **97,531,751**

Closing price on May 10, 2004: **\$0.195**

HOLE 41 ENCOUNTERS 6.5% COPPER, 3.45% ZINC OVER 8.0 METERS OTHER NEW VMS ZONES DISCOVERED

Montréal, Québec – May 11, 2004 - **KWG RESOURCES INC.** (the "Company" or "KWG") and joint venture partner Spider Resources Inc. ("Spider") announce the receipt of analytical results from their jointly held Volcanogenic Massive Sulphide ("VMS") project in the western part of the James Bay Lowlands, northern Ontario. **Hole number McF-04-41 intersected 8.0 meters of massive sulphide that averaged 6.5% Cu, 3.45% Zn, 0.42 g/t Au and 15.5 g/t Ag.**

This mineralized section was contained in an 18.05 meter wider zone that averaged 3.3% Cu, 1.6% Zn, 0.25 g/t Au and 8.2 g/t Ag. This intersection of sulphide mineralization is located down-plunge and along strike to previously announced holes McF-04-21 and McF-04-22 that averaged 5.5% Cu over 13.8 meters and 4.06 % Cu over 15 meters respectively.

Hole #41 was designed to test the down plunge – along strike extension of the McFauld's #3 VMS occurrence, based upon the Transient ElectroMagnetic (TEM) and BoreHole Transient ElectroMagnetic (BHTEM) surveying completed over the grid that hosts this occurrence, as well as the nearby McFauld's #4 occurrence.

The geophysical survey results predicted that the McFauld's #3 mineralization continued at depth (to 225 m on section 8+25 m NE) and drill hole #41 confirmed this. The zone still remains open along strike and down plunge. More drilling and geophysical work on McFauld's #3 is planned during the next phase of exploration to commence in June.

This and other results recently received are tabulated as follows:

GRID	OCCURRENCE	HOLE #	AZIMUTH degrees	DIP degrees	FROM (m)	TO (m)	INT. (m)	CU %	ZN %	AU (g/t)	AG (g/t)
Grid G	McFauld's #6	McF-04-38	135	-55	150.20	153.50	3.30	1.82	0.31	0.150	4.3
Grid G	McFauld's #6	McF-04-39	135	-76	197.95	199.25	1.30	3.63	0.08	0.340	7.1
Grid H	McFauld's #7	McF-04-40	130	-45	143.10	145.15	2.05	0.19	1.15	0.007	3.4
Grid C	McFauld's #3	McF-04-41	135	-65	239.25	257.30	18.05	3.28	1.56	0.250	8.2
	INCLUDING				243.20	251.20	8.00	6.49	3.45	0.420	15.5

Holes #38 and #39 were drilled on Grid "G" located approximately 3.5 kilometers south of Grid "C" where McFauld's #3 and #4 occurrences are located. Two holes tested a strong ground geophysical (Max-Min and magnetic) anomaly intersecting a zone of sulphide mineralization that is 3.3 meters wide, near surface and 1.3 meters wide further down dip. The copper mineralization occurs over a 1-meter wide zone and grades 3.3% Cu/1.3 m in hole #39 and 3.62% Cu/0.5 m in hole #38. Subsequent to the drilling, BHTEM and TEM geophysical programs were completed. The interpretation of the more recent geophysics over this anomaly, suggests that the conductor extends well below the mineralized intersection in hole #39, and that this conductor is open in both directions along strike and to depth. It is interpreted that these two holes have pierced the edge of a much larger sulphide body. More drilling is planned on this new VMS occurrence later this summer.

Hole #40 was drilled on Grid "H", located 14 kilometers south and west of the main grid hosting the McFauld's #3 and #4 VMS occurrences. Ground geophysics completed on this grid included magnetic and Max-Min electromagnetic surveying.

One of several anomalies was selected for drilling on this grid. Hole McF-04-40 intersected two zones of sulphide mineralization between 120.05 to 128.65 meters, followed by 143.1 to 159.35 meters. Anomalous copper and zinc values were encountered over the entire second zone. The first 2.05 meters of this zone averaged 1.15% Zn and 0.19% Cu. This result confirms that the Cu-Zn fertile McFauld's VMS geological environment is regionally extensive. The remaining anomalies on this grid are being reviewed as potential drill targets for later this summer.

The results of the winter exploration program (January – May) completed over the McFauld's VMS project are currently being reviewed by management, and plans are being made for an aggressive summer exploration season. It is anticipated that the field crews will be remobilized to this project area, as well as the MacFadyen kimberlite project area, in mid-June. All kimberlite samples from the MacFadyen property drilling are now in for caustic dissolution micro-diamond testing at the Thunder Bay Mineral Processing Laboratory of Kennecott Canada Exploration Inc. Results from the first shipment of kimberlite (hole SPQ-04-01) should be available during the latter part of May.

All analytical results reported herein are from samples selected during the normal logging process of the drill core as conducted by either Roger Thomas (M.Sc., P.Geo, P.Eng.) or James Burns (P.Eng.) both acting as Independent Qualified Persons ("IQP's") for the project. Samples were individually bagged and delivered under from the field office of the joint venture at McFauld's Lake, to ALS Chemex's sample preparation facility in Thunder Bay, Ontario where 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. All samples reported as over-limit are reprocessed internally by the lab using AA-62 (4 acid digestion – AA finish) for high-grade analysis.

- 30 -

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