

# PRESS RELEASE

No 14

**KWG RESOURCES INC.**  
2930 - 630 René-Lévesque Blvd. West  
Montréal, Québec H3B 1S6

**Symbol on TSX-Venture: KWG**  
**Shares issued and outstanding: 97,531,751**  
**Closing price on May 26, 2004: \$0.20**

<p style="text-align: center;"><b>DIAMONDS RECOVERED FROM THE GOOD FRIDAY KIMBERLITE ON THE MACFADYEN PROPERTY, ATTAWAPISKAT, ONTARIO</b></p>
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Montréal, Québec – May 27, 2004 - **KWG RESOURCES INC.** (the “Company” or “KWG”) and joint venture partner Spider Resources Inc. (“Spider”) announce the preliminary results from the first diamond drill hole completed on the Good Friday kimberlite on their jointly held MacFadyen property in northeastern Ontario. A total of 132.2 meters of samples weighing 455.2 kilograms yielded a total of 121 diamonds.

The diamond population consisted of 111 micro diamonds (< 0.5 mm), eight (8) macro diamonds (0.5 - 0.8 mm) and two (2) stones greater than 0.8 mm. The results are preliminary and further evaluation is being conducted however, this confirms that the Good Friday kimberlite is diamondiferous and warrants further drilling.

This drill hole SPQ4-01 tested a magnetic target, approximately 100 meters in diameter, located 300 meters northeast of previously discovered (1994) MacFadyen #1 kimberlite and 600 meters northeast of the MacFadyen #2 kimberlite, all of which are within eight kilometers north of the advanced “Victor kimberlite development project” of De Beers Canada Exploration Ltd. (“De Beers”) and 1.5 kilometer east of De Beers’ Tango and Tango Extension kimberlites.

The drill program included four additional drill holes of which two drill holes that intersected two other kimberlites and samples from those holes are currently being analyzed. The results are expected within the next few weeks.

The drill program was under the field supervision of an Independent Qualified Person (“IQP”) Roger Thomas (M.Sc., P.Eng., P.Geo.). Mr. Thomas logged the drill core and selected the samples for diamond content processing that were personally delivered by project manager Mr. Neil Novak, P.Geo., to a diamond recovery laboratory managed by Kennecott Canada Exploration Inc. (Thunder Bay Mineral Processing Laboratory) for a complete diamond content analysis using caustic dissolution.

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