

PRESS RELEASE

No 17

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 June 16, 2004: \$0.20

KWG OFFICERS AND DIRECTORS

Montréal, Québec – June 17, 2004 - The shareholders of **KWG RESOURCES INC.** (the “Company” or “KWG”) re-elected as its Board of directors, Jonathan Challis of Sevenoaks, U.K., David Cohen of Vancouver, Michel Côté of Montreal, Michael Harrington of Denver, Michael Newbury of Toronto, Frank Smeenck of Kleinburg, Ontario, Dr. Mousseau Tremblay of Williamstown, Ontario and Antony Wood of Vancouver. Messrs. Cohen, Tremblay and Wood are directors and officers of KWG’s principal shareholder Diagem International Resource Corp.

The KWG Board of directors has elected David Cohen as its Chairman and Michael Harrington as Vice-Chairman. The Company’s Board has also appointed Michael Newbury as its President and Chief Executive Officer and Frank Smeenck as Vice-President.

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FOR FURTHER INFORMATION, PLEASE CONTACT:

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