

PRESS RELEASE

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KWG

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KWG MOVES FORWARD ON GLOBAL PATENT PROTECTION BY UNDERTAKING NATIONAL PHASE OF GAS REDUCTION PATENT CLAIM WITH FILINGS IN KEY FERROCHROME-PRODUCING COUNTRIES: CANADA, CHINA, INDIA, INDONESIA, JAPAN, KAZAKHSTAN, SOUTH AFRICA, SOUTH KOREA, TURKEY, USA

Toronto, Canada, March 22, 2016 – **KWG Resources Inc. (CSE: KWG) (FRANKFURT: KW6)** (“KWG”) is in the process of filing the National Phase in the above-identified countries under the Patent Cooperation Treaty to seek patent grants for its method to reduce chromite ore to metallics utilizing natural gas, a carbon reductant, and a catalyst formulation. The grant of a patent will be sought for the invention in each of the countries where the method might have commercial application and viability.

An Abstract for the Torstein Utigard Memorial Symposium COM 2015 titled: Reducing energy consumption by alternative processing routes to produce ferrochromium alloys from chromite ore cites:

A techno-economic study on the new process identifies a reduction in overall energy consumption of 80% against conventional processing and approximately 40% lower than the current best practice. By utilising more natural gas than coal based energy sources, the KWG process is able to show an overall 50% reduction in greenhouse gas emissions compared with the most energy efficient current practice. The impact of the new process on future processing is therefore regarded as highly significant, with global energy reductions equivalent to the effect of completely eliminating energy demand from a country the size of Italy.

The study concluded that the potential for this process to completely revolutionise the global ferrochrome industry should not be underestimated. Its impact reaches far beyond exploitation of a regional natural resource.

KWG previously announced on January 6, 2015 that it had received from the US Patent Office’s International Searching Authority the International Search Report in response to its international application to patent the direct reduction method (the “PCT application”). It is the opinion of the inventor and the attorney of record that based on the International Search Report, the eventual outcome appears to be favorable to KWG.

National applications will be launched in Treaty signatory countries prior to the expiry of the 30 and 31-month international priority protection period afforded by the PCT application. The national filings continue the priority protection period in those countries during the national application process, each of which are hoped to culminate in the grant of a patent enforceable in that country.

About KWG:

KWG has a 30% interest in the Big Daddy chromite deposit and the right to earn 80% of the Black Horse chromite where resources are being defined. KWG also owns 100% of CCC which has staked claims and conducted a surveying and soil testing program, originally for the engineering and construction of a railroad to the Ring of Fire from Aroland, Ontario. KWG subsequently acquired intellectual property interests, including a method for the direct reduction of chromite to metalized iron and chrome using natural gas. The Company is prosecuting patent applications for both the direct reduction method and for a method of producing high purity chromium metal by continuous smelting.

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