South Africa Accepts KWG Resources Inc. Patent Application

25.01.2018 | Newsfile

Toronto, Jan. 25, 2018 - KWG Resources Inc. (CSE: KWG.A) (CSE: KWG) (OTC: KWGBF) (FSE: KW61) ("KWG") received notification that its application to patent the direct reduction method invention for producing chromium iron alloys directly from chromite ore was accepted by the Registrar for the South African Patent Office on January 12, 2018. Expected date of publication in the Patent Journal is February 28th, 2018.

The results of tests undertaken utilizing the method, by Dawei Yu and Dogan Paktunc of Natural Resources Canada's CanmetMINING, were published by Metals, An Open Access Metallurgy Journal of MDPI AG, on January 18th, 2018. The paper reported, in part:

"Although significant research efforts have been made on the carbothermic solid reduction of chromite on the aspect of improving reduction kinetics, little attention was paid to alloy growth during solid reduction. The significance of alloy growth lies in the fact that it could potentially enable the direct production of pure ferrochrome by separation without the need of a SAF or a melting furnace for separating the alloy from the unwanted gangue/slag. Elimination of the SAF smelting or a melting operation means a much higher energy efficiency because the process will operate at the solid-state reduction regime of a much lower temperature. It can also remove the heavy reliance of the ferrochrome production on electric energy. Both of the two aspects bear much significance from the economic point of view."

And: "$CaCl_2$-assisted carbothermic reduction of chromite by graphite was thermally activated and was relatively fast at temperatures higher than 1200°C. Near-complete metallization of both Cr and Fe at 1300°C generally took place between 1 to 2 h."

And: "By taking advantage of the density difference between the ferrochrome and the unwanted gangue, pure ferrochrome alloy (with 2.85 wt % gangue) in its M_7C_3 powder form was successfully produced using elutriating separation, with total metal recoveries of 83.5% Cr and 90.6% Fe."

KWG believes the research results to demonstrate considerable promise for the efficacy of the solid state direct reduction method of refining ferrochrome and is seeking opportunities to collaborate in the method's commercial development.

About KWG:

KWG is the Operator of the Black Horse Joint Venture after acquiring a vested 50% interest through Bold Ventures Inc. which is carried for 10% (20% of KWG's equity in the JV) by KWG funding all exploration expenditures. 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. KWG subsidiary Muketi Metallurgical LP is prosecuting two chromite-refining patent applications in Canada, India, Indonesia, Japan, Kazakhstan, South Africa, South Korea, Turkey, and USA. The national phase filings are under review in each of those jurisdictions. Canada and South Africa have each notified KWG that it will be granted a patent for the direct reduction method.

For further information, please contact:

Bruce Hodgman, Vice-President: 416-642-3575 ~ info@kwgresources.com

Forward-Looking Statements: Information set forth in this news release may involve forward-looking

statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and KWG disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any securities that may be described herein and accordingly undue reliance should not be put on such. Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this news release.