

ACHMMACH TIN PROJECT

Exploration Update

Shallow Tin Targets Growing at Achmmach

5.5% Tin in Outcrop in Eastern Zone

Northern Zone Target Expanding

Drill Ready Targets Identified in Three Zones

20 July 2010

ASX Code: KAS

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Exploration Manager

Projects - Morocco

- Achmmach Tin Project
- Tamlalt Gold Project

Investment Data

Shares on Issue 237M

Shareholders

Top 20 Hold 73%

LME Tin Price (19/07/10)

US\$17,850 / t (cash buyer)

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Highlights

- Geological interpretation of latest surface sampling data and previous shallow drill holes suggests the potential for the surface mineralisation to be linked to shallow (<100m) tin mineralisation.
- Planning underway to drill test these and other targets that are potentially mineable by open cut methods.

Eastern Zone

- Systematic rock chip sampling at surface has identified over 160 metre strike length of high grade tin mineralisation (max value 5.5 % tin) with a true width of 1-2 metres.
- Current interpretation of subsurface continuity in Eastern Zone is supported by intersections in the top sections of previously drilled holes including AD09, AD010, AD015, S025, AD016 and AD017.

Northern Zone

- Trench sampling in the Northern Zone extends 3 major mineralising trends.
- Assaying of previously un-sampled sections of BRPM holes plus the latest rock chip and trench sampling outline potentially economic shallow tin mineralisation.
- Current interpretation of subsurface continuity in Northern Zone is supported by intersections in the top sections of previously drilled holes including S04, S06 and S07.

ACHMMACH EXPLORATION UPDATE

Shallow Tin Targets Growing at Achmmach

Summary

Kasbah Resources Limited (Kasbah) is pleased to announce the latest results from the Shallow Targets exploration program at the Achmmach Tin Project.

The Shallow Targets program is a surface exploration program that runs in parallel with the continuing deeper drilling program and seeks to define tin mineralisation that is potentially mineable by open cut methods. Early success in discovering high grade tin outcrop in the Western and Northern Zones has seen this program extended.

This program has now identified another new, shallow tin target at the eastern end of the main mining permit (the Eastern Zone).

The latest work in the Northern Zone included additional trenching, rock chip sampling and the re-logging and assaying of previously un-sampled BRPM (Bureau de Recherches et de Participations Minières) drill holes. This most recent work now supports a geological interpretation that links the surface to shallow (<100 m) tin mineralisation intersected in previous drill holes.

The latest work completed in the Eastern Zone has identified a tourmaline lode that is 1.5 - 3 metres in true width that is consistently mineralised over a strike of 160 metres. A maximum tin value of 5.5% was achieved in rock chip samples of surface outcrop in this area with over 20% of all samples returning assays >1.0% tin and 40% of all samples returning grades of > 0.3% tin.

Of significance is the latest geological interpretation of subsurface continuity of high grade surface tin mineralisation in:

- a. the Northern Zone which may be linked to intersections in the top 150 metres of drill holes AD09, AD010, AD015, S025, AD016 and AD017.
- b. the Eastern Zone which may be linked to intersections in the top 150 metres of BRPM drill holes S04, S06 and S07.

This program has identified 3 shallow tin targets to date including the Western Zone, Northern Zone and the Eastern Zone (see Figure 1). A shallow drilling program is currently being designed and scheduled to test the mineralisation that is potentially mineable by open cut methods.

A technical report detailing the completed work is attached as **Appendix A**

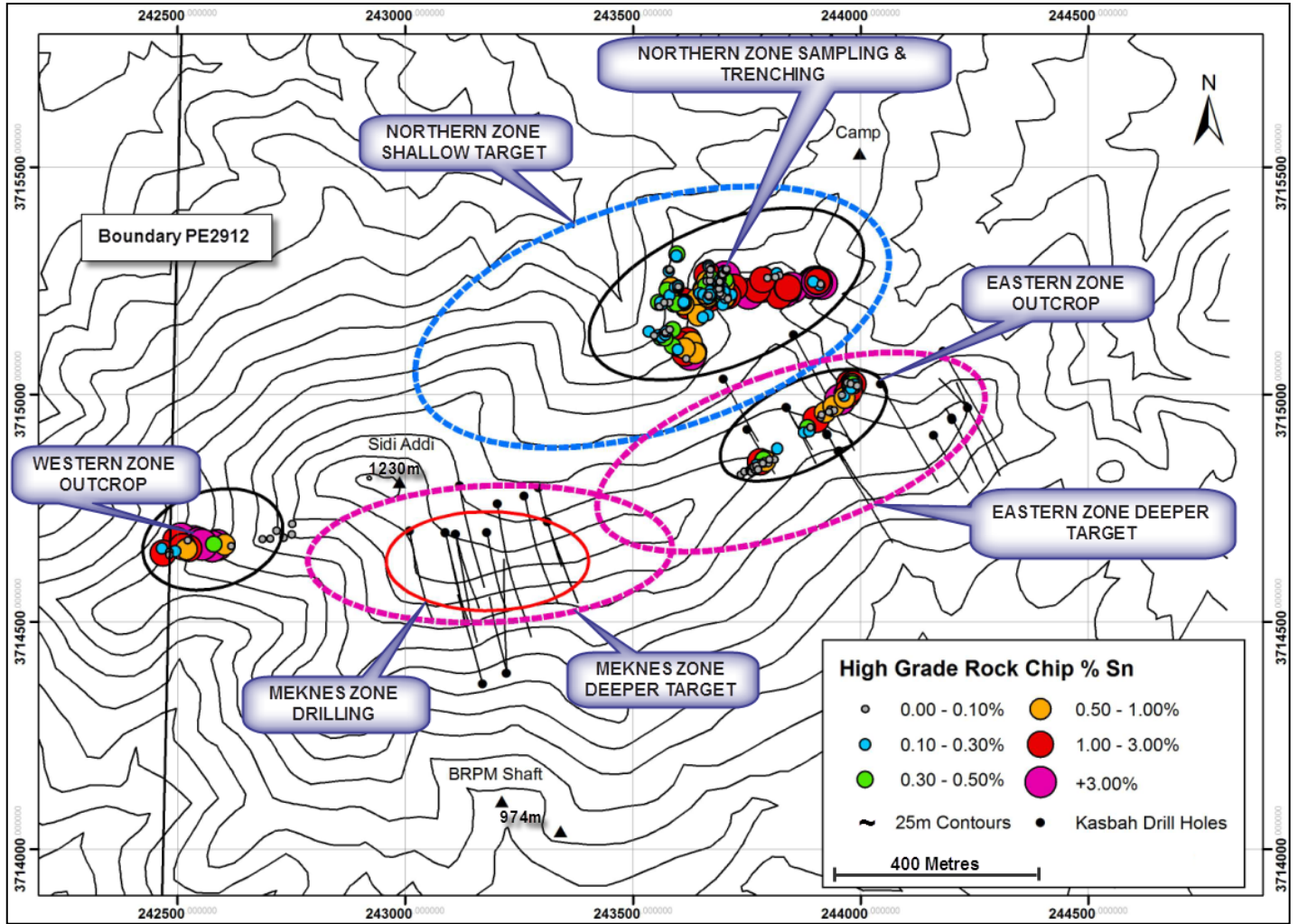


Figure 1

Shallow and Deep Tin Targets at Achmmach

For and on behalf of the Board,



Wayne Bramwell
Managing Director

For further information please go to:

www.kasbahresources.com

Or email:

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The information in this report is based on information compiled by Mr. Jeffrey Lindhorst a Member of the Australasian Institute of Geoscientists. Mr. Lindhorst is a full-time employee of Kasbah Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Lindhorst consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

APPENDIX A: Technical Report

1. NORTHERN ZONE

1.1 Trenching Results

A follow up program of 4 trenches (A-D) of approximately 250 metres total length were dug in an area of approximately 150 metres x 90 metres to test for extensions of high-grade, tin-bearing, tourmaline rich zones (lodes) defined by previous surface sampling (see Figure 2). This area is covered by shallow colluvium and many structures are not visible at the surface.

One hundred 3-4 kg composite rock chip samples were collected at 2-3 metre intervals along three trenches.

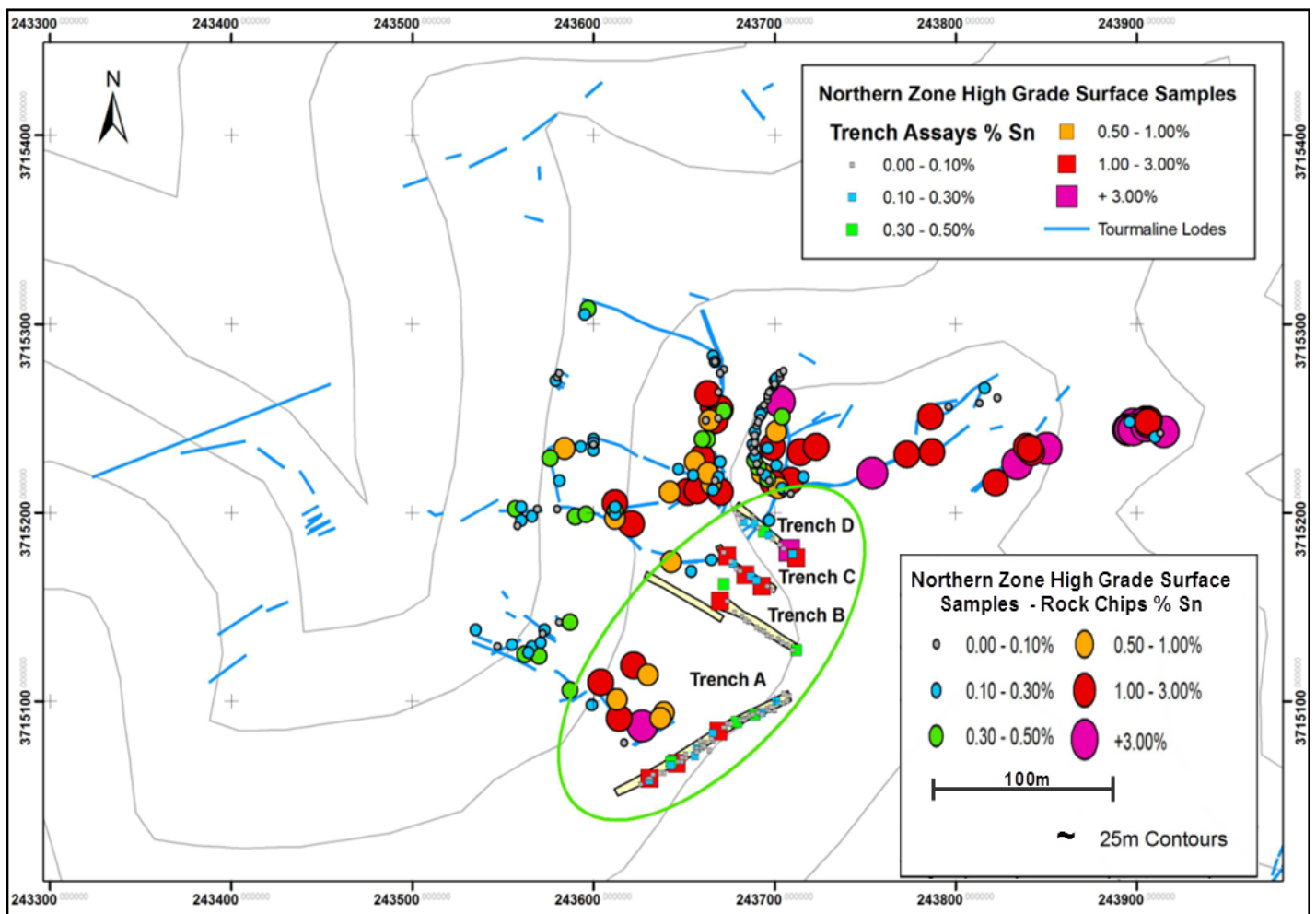


Figure 2

Northern Zone Trench Locations

Table 1

Northern Zone Trench Sampling Results

TRENCH	LENGTH (m)	AZIMUTH	SAMPLES	Max %Sn	COMMENT
A	110	060	55	2m @ 2.79	Tourmaline lode trending 160 magnetic
B	50	120	17	3m @ 1.80	3m true width dipping steeply to the west
C	40	12	12	3m @ 1.93	Close spatial association of east west oriented tourmaline lodes and north south oriented mineralised sandstones.
D	50	125	15	3m @ 3.1	Siltstone/sandstone cut by 10-15cm thick 075 trending tourmaline lode.

Results from Trench A extend the known 110 degree trend, high-grade tin mineralisation a further 50 metres southeast into the area under cover. Here at the eastern end of the trench, the weakly tourmaline and/or silica-altered host sediments contain potentially economic grades of 0.3-0.5% Sn over 2-3 metre true widths.

Results from Trench B extend the 000-180 degree trend, high-grade tin mineralisation a further 50 metres into the area under cover.

Results from Trench C show a close spatial association of high-grade (KAS 4119 - 3 metres @ 1.93%) east-west trending tourmaline lodes and north-south oriented tourmaline-altered sandstone running 1.34% Sn over 3 metres.

Results from Trench D extend the 070 degree trending, high-grade mineralisation a further 40 metres to the east where the cover is greater than 2 metres thick. Areas of weakly tourmaline-altered sandstone returned up to 0.37% Sn over 3 metres intervals adjacent to tourmaline lodes which contain 0.50 – 1.00% Sn defined in previous rock chip sampling.

Results from the ongoing work in the Northern Zone continue to confirm multiple styles and orientations of both high grade (>1% Sn in rock chips and trenches) over 1-3 metre widths associated with tourmaline lodes. It is also now apparent that lower grade (0.3 - 0.5% Sn) is more widespread in the siltstones and the sandstones that host the tourmaline lodes and this may have a positive impact on the volume of potentially economic shallow mineralisation.

1.2 BRPM Drill Holes S04, S06, S07

In the 1990's the BRPM completed a 29 hole, diamond drilling surface program across the 1.8 km long Achmmach hill. Drill holes S01-S11 from this program are located in the Northern Zone (see Figure 3). Few of these holes were assayed above 100m because these drill holes planned to test deeper tin targets.

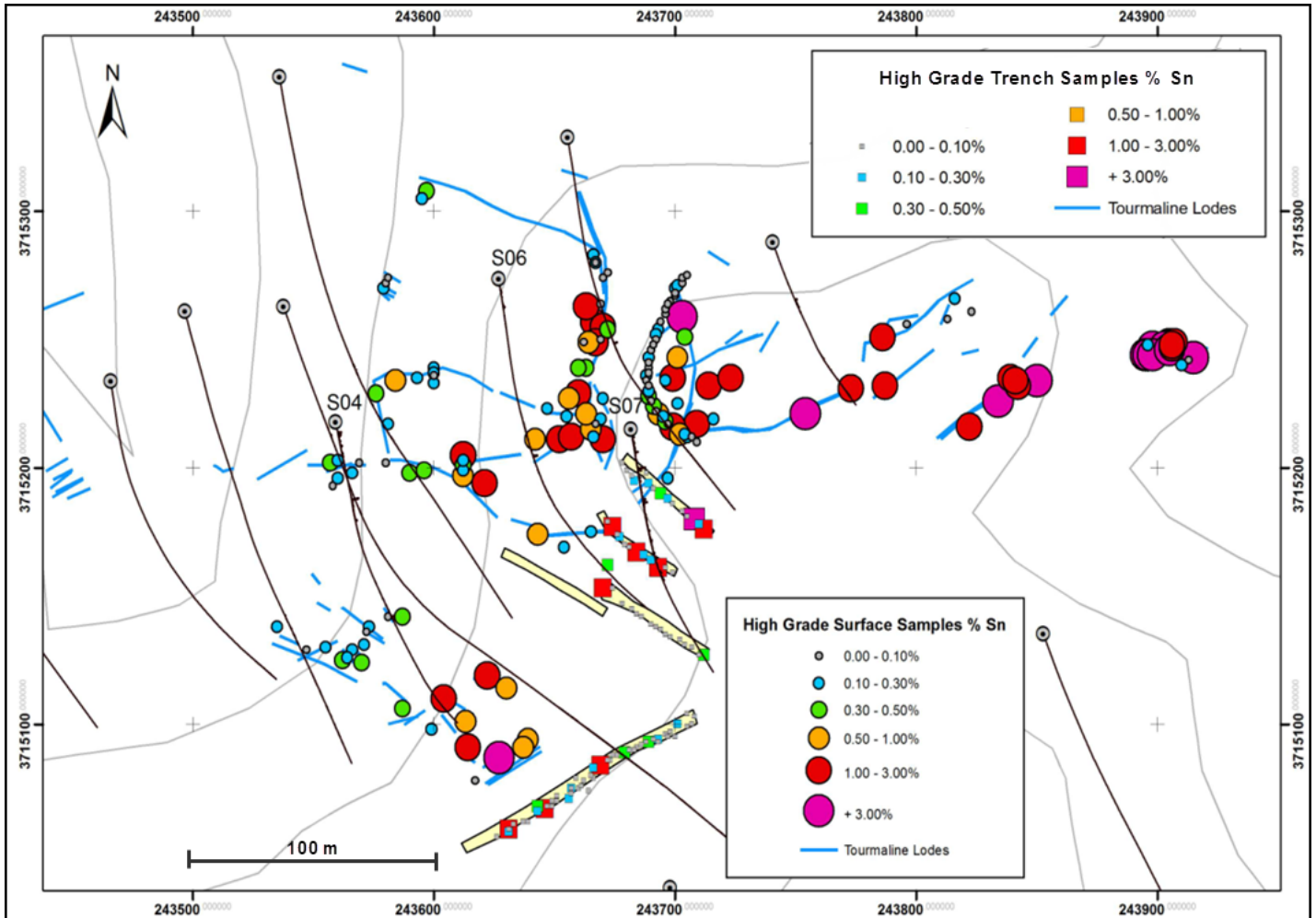


Figure 3

BRPM Drill Holes S04, S06, S07 (in Northern Zone)

Kasbah is selectively re-logging and assaying these holes with results from the BRPM holes S04, S06 and S07 yielding potentially economic tin grades in the top 100m down hole in the Northern Zone (see Table 2, over page).

Drill targets have already been defined but the remaining BRPM holes will be re-logged and re-assayed to provide additional information for interpretation of the subsurface extent and style of mineralisation in the Northern Zone.

Table 2

Assaying of BRPM Drill Holes S04, S06, S07

Drill Hole	From (m)	To (m)	Length (m)	% Sn	Comment
S04	8	12	4	0.49	Correlates on section with KAS1935 rock chip sample (0.49% Sn)
	63	67	4	0.47	Correlates with KAS1974 rock chip sample (0.47% Sn)
S06	9	11	2	0.14	Fine fractures with tourmaline infill.
	21	23	2	0.26	Fine fractures with tourmaline infill.
	152	154	2	0.64	Correlates with new mapped structure. Assays pending.
S07	6	22	16	0.19	Fine tourmaline altered fractures in sandstone.
	36	40	4	0.84	Correlates with KAS1909 (0.17% Sn)
	69	73	4	0.42	Correlates with Trench sample KAS4127

2.0 EASTERN ZONE

2.1 Systematic Rock Chip Sampling

Systematic rock chip samples at nominal 10-20 metre centres identified approximately 160 metres of high grade tin mineralisation (max value 5.45% Sn over 1.5 metres). This tourmaline lode trends in a 045 degree direction, is a consistently mineralised structure and has a true width of 1.5 to 3 metres (see Figure 4).

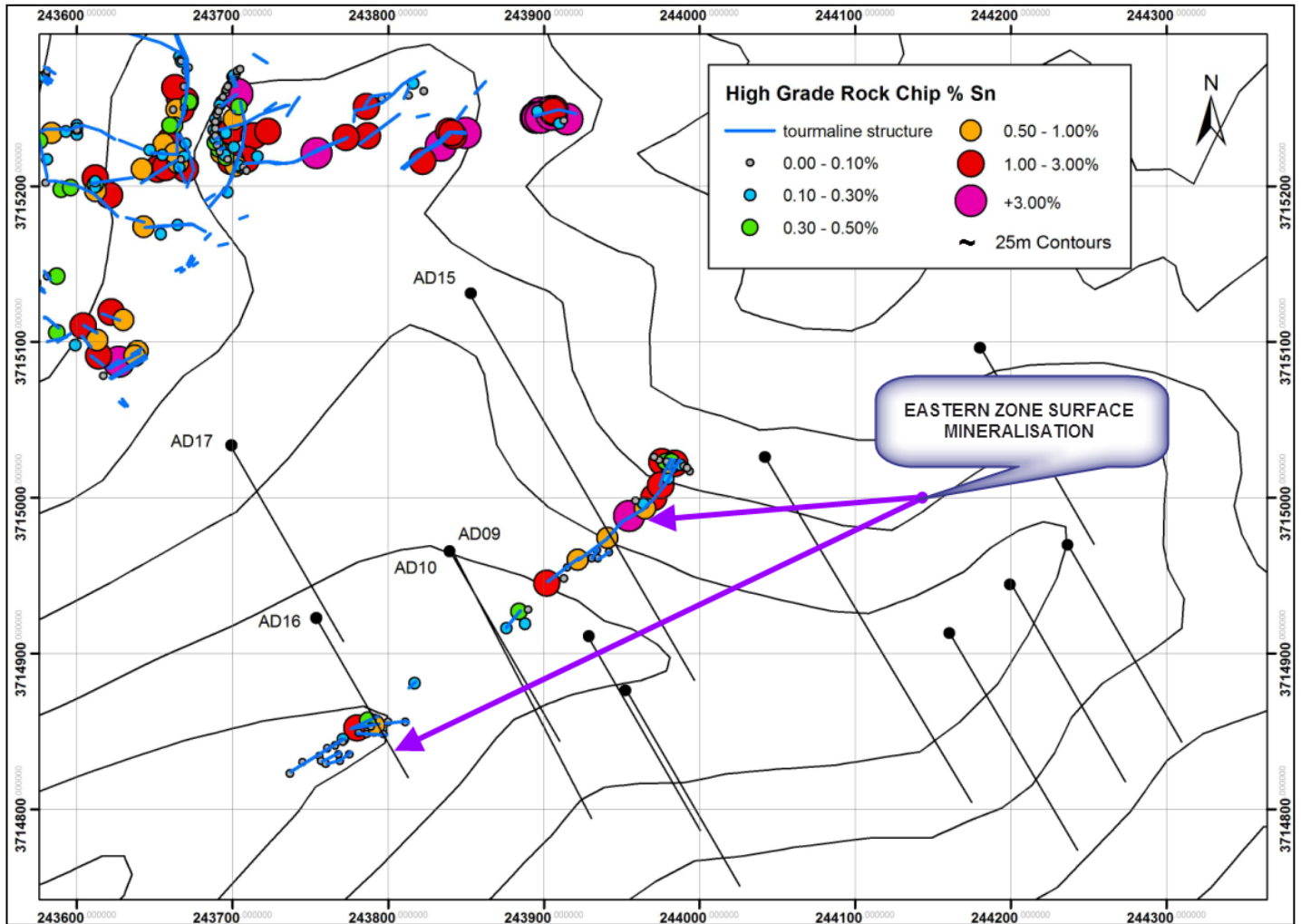


Figure 4

Eastern Zone Rock Chips

Of the 34 samples along its 160 metre length over 20% of all samples returned assays >1.0% tin and 40% of all samples returned grades of > 0.3% tin.

The potential subsurface continuity of this surface mineralisation is supported by intersections in the top 100 to 150 metres of drill holes AD09, AD010, AD015, S025, AD016 and AD017 (see Table 3). It should be noted that all of these holes were targeted to intersect deeper mineralisation (see Figures 5, 6 and 7).

Drill ready targets are available to further test this mineralisation in the top 100 metres from the surface based on the interpretation of the surface samples and existing drilling

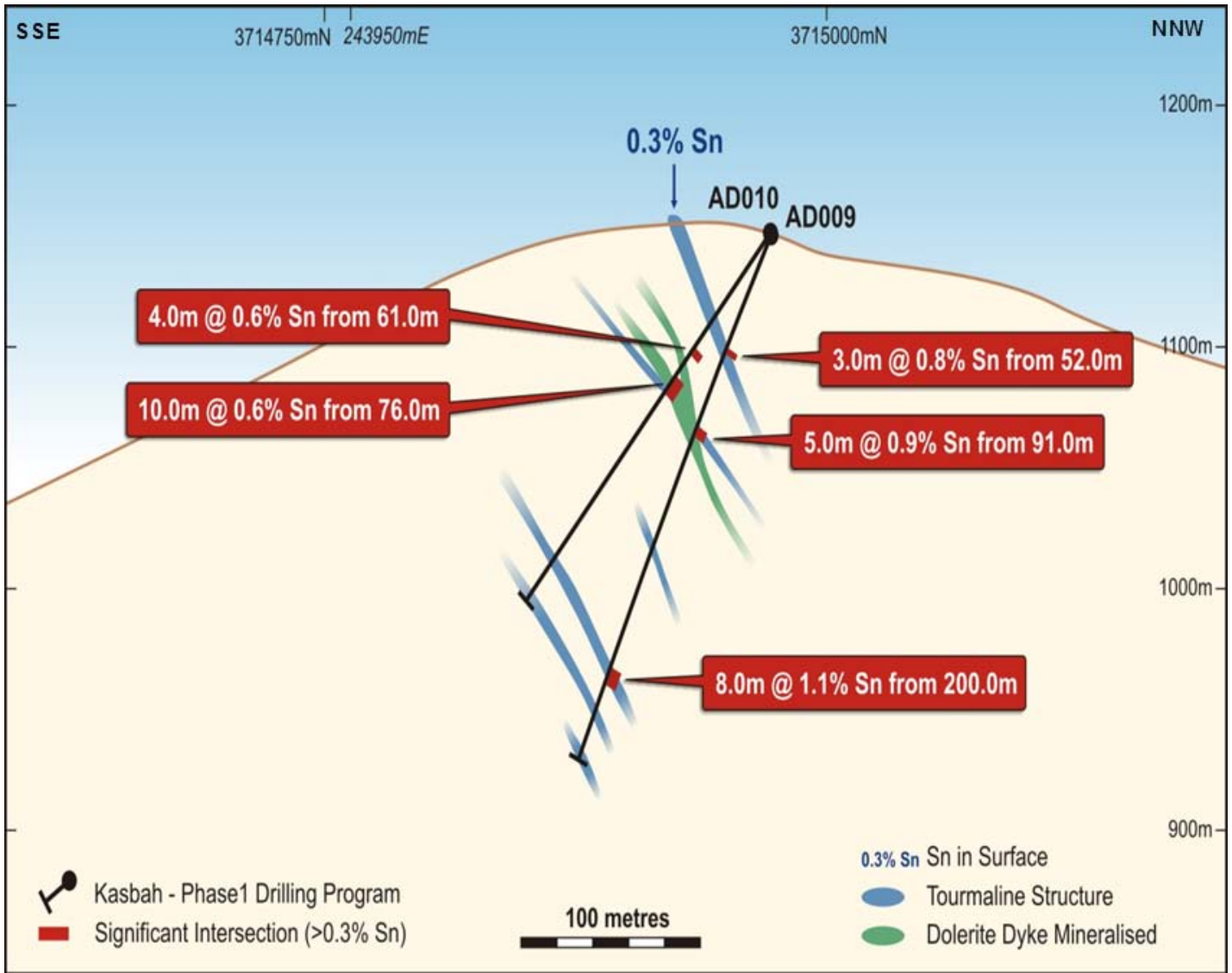


Figure 5

Kasbah Drill Hole Section AD09, AD10 - Eastern Zone

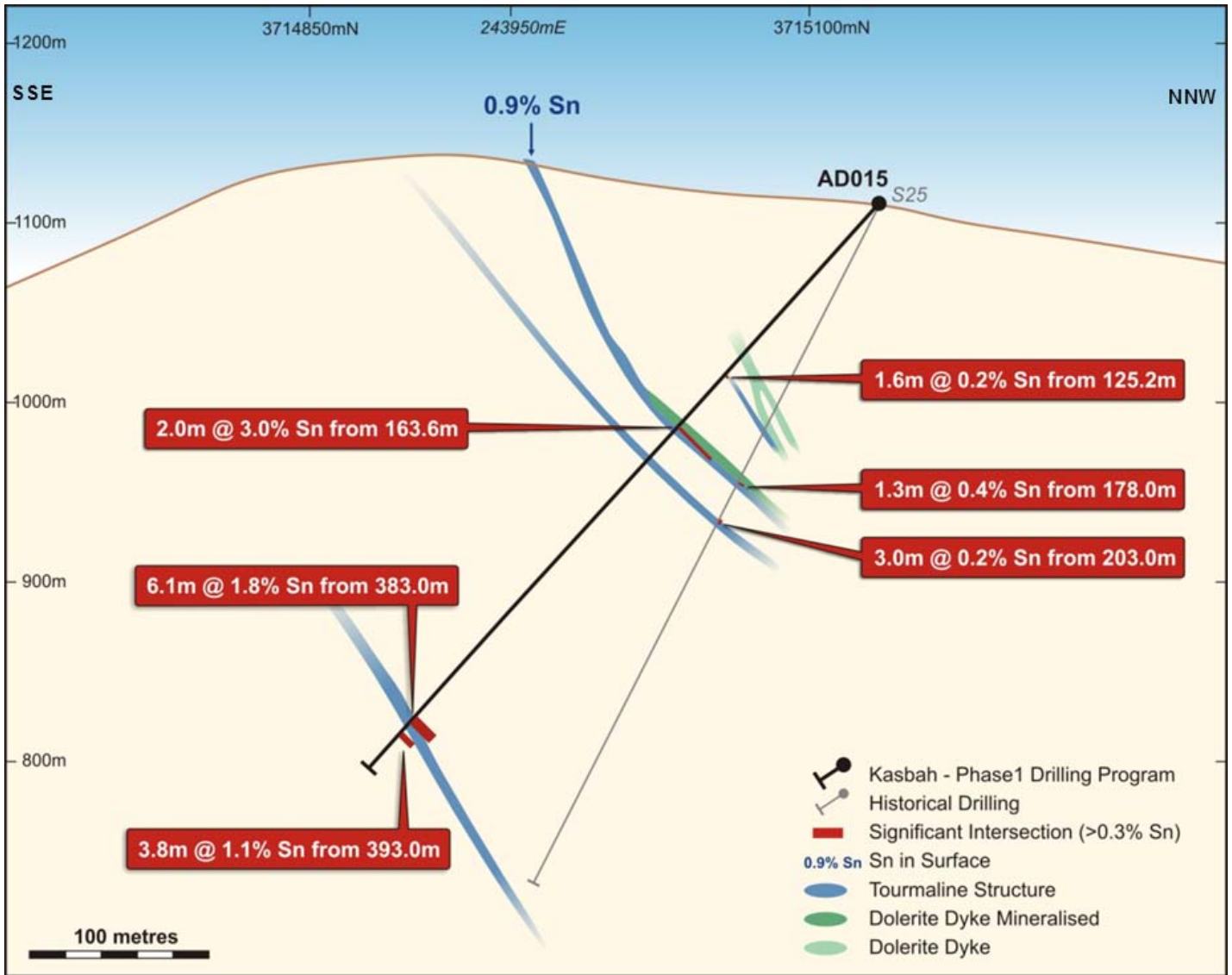


Figure 6

Kasbah Drill Hole Section AD015, S25 - Eastern Zone

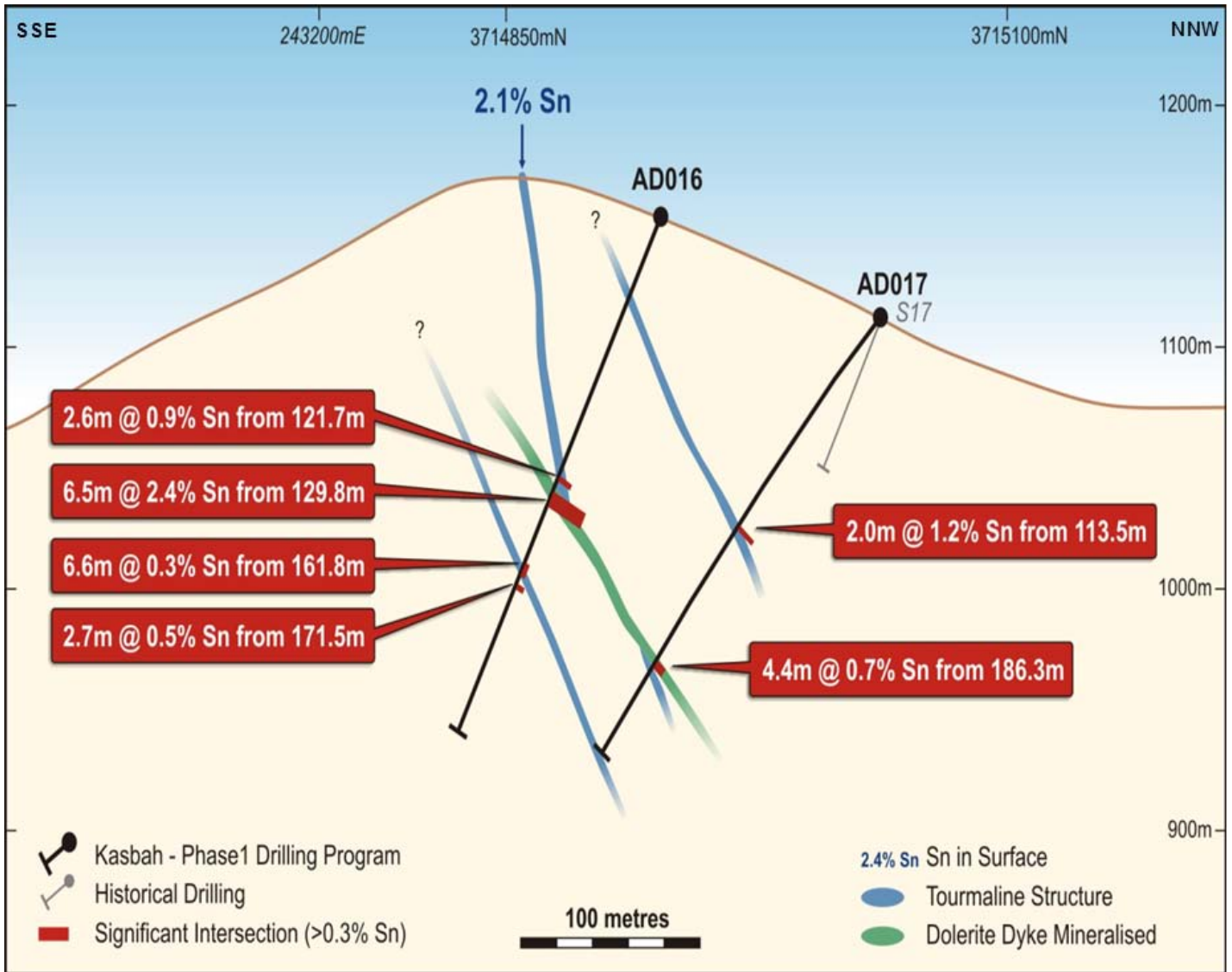


Figure 7

Kasbah Drill Hole Section AD016, AD017 - Eastern Zone

Table 3
Shallow Tin Intersections in Previous Drilling

Drill Hole	From (m)	To (m)	Length (m)	% Sn	Comment
AD09	52.0	55.0	3.0	0.76	Tourmaline breccia with disseminated cassiterite
	91.0	96.0	5.0	0.87	Tourmaline breccia with disseminated cassiterite
AD010	61.0	65.0	4.0	0.55	Intense tourmaline alteration
	76.0	86.0	10	0.64	Mineralised dyke.
AD015	125.2	126.8	1.6	0.24	Tin associated with sulphide veins
	163.6	165.6	2.0	2.99	No up dip testing of this intersection and surface sample in this area KAS1982 runs 0.93% Sn. Quartz cassiterite breccia vein.
S025	178.0	179.3	1.3	0.42	Tin associated with sulphide veins on contact with dyke.
	203.0	203.0	3.0	0.16	Weak tourmaline alteration in siltstones
AD016	121.7	124.3	2.6	0.94	No up dip testing of this intersection and surface sample in this area KAS4012 runs 2.14% Sn
	129.8	136.3	6.5	2.41	No up dip testing of this intersection.
AD017	113.5	115.5	2.0	1.22	No up dip testing of this intersection.
	186.3	190.7	4.4	0.72	Possibly associated up dip with mineralisation in AD016 at 122-130m down hole

APPENDIX B: Assay Results Eastern Zone Systematic Rock Chip Samples

Sample ID	Northing	Easting	Height	% Sn
KAS1920	3715026	243971	1101	0.00
KAS1921	3715024	243974	1099	0.03
KAS1922	3715023	243976	1099	1.66
KAS1923	3715023	243978	1100	0.35
KAS1924	3715023	243979	1100	0.00
KAS1925	3715022	243981	1100	0.73
KAS1926	3715023	243982	1102	0.33
KAS1927	3715022	243984	1101	1.16
KAS1928	3715021	243986	1099	0.29
KAS1929	3715021	243988	1099	0.24
KAS1930	3715020	243990	1097	0.01
KAS1931	3715019	243992	1094	0.00
KAS1931	3715019	243992	1094	0.00
KAS1932	3715017	243994	1093	0.01
KAS1975	3714948	243913	1149	0.03
KAS1976	3714955	243915	1146	0.03
KAS1977	3714960	243922	1135	1.00
KAS1978	3714961	243931	1139	0.02
KAS1979	3714961	243935	1138	0.03
KAS1980	3714966	243934	1140	0.03
KAS1981	3714965	243942	1131	0.03
KAS1982	3714974	243941	1132	0.94
KAS1983	3714988	243955	1128	5.45
KAS1984	3714993	243965	1118	0.81
KAS1985	3714996	243964	1116	0.19
KAS1986	3714998	243959	1113	0.08
KAS1987	3715000	243971	1111	1.79
KAS1988	3715008	243975	1110	1.09
KAS1989	3715012	243980	1108	0.11
KAS4023	3714916	243876	1168	0.25
KAS4024	3714927	243884	1164	0.33
KAS4025	3714928	243890	1162	0.04
KAS4026	3714919	243888	1165	0.18
KAS4027	3714945	243902	1153	1.36