

10 June 2010

**ASX Code:** KAS

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Managing Director

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**Projects - Morocco**

Achmmach Tin Project

Tamlalt Gold Project

**Investment Data**

Shares on Issue 205M

**Shareholders**

Top 20 Hold 69%

**LME Tin Price (10/06/10)**

US\$15,824 / t (cash buyer)

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## ACHMMACH TIN PROJECT EXPLORATION UPDATE

### CLOSED SPACED DRILLING CONTINUES TO DEFINE STRIKE CONTINUITY AT MEKNES

#### HIGHLIGHTS

Wide zones of Tin mineralisation continue to be intersected in the Meknes Zone.

- AD036 returned:
  - 27m @ 0.66% Tin from 364m
  
- AD037 returned:
  - 5m @ 1.59% tin from 133m
  - 16m @ 0.51% Tin from 279m
  - 13m @ 1.03% Tin from 376m
  
- AD039 returned:
  - 16m @ 0.62% Tin from 321m
  - 10m @ 2.27% Tin from 353m
  - 12m @ 0.97% Tin from 464m
  
- The geological interpretation of AD035, AD036 and AD027 now starts to show a second orientation to the Tin mineralisation within the Meknes Zone.
  
- The drilling continues to define potentially economic tin grades and provides increased confidence that the Meknes mineralisation is open at depth and along strike.

**ACHMMACH EXPLORATION UPDATE****STRIKE CONTINUITY BETWEEN WIDE SPACED DATA IS SUPPORTED BY RECENT INFILL DRILLING WHILE THE MEKNES ZONE REMAINS OPEN AT DEPTH.****OVERVIEW**

Kasbah Resources Limited (Kasbah) is pleased to announce the latest results from the Meknes Resource Definition Drilling Programme (MRDD) at the Company's Achmmach Tin Project in Morocco. The drilling continues to define potentially economic tin grades and provide increased confidence that mineralisation can be intersected between prior wide spaced drill intersections along strike.

Drilling to date indicates an upper limit exists to the Meknes mineralisation but the deepest drilling has not closed the system off. As such, the Meknes Zone remains open at depth and along strike. Within the Meknes Zone, the current drill spacing infers that the internal structure is comprised of multiple steep structures, some of which are boundary structures. The zone in between the boundary structures is interpreted as having a composite arrangement of both steep and shallow dipping zones of mineralisation. The most recent drilling now shows the material between the steeply dipping zones is often mineralised. Previously, the steeply dipping zones were interpreted to have barren material between them.

If ongoing drilling confirms this interpretation, the potential is to increase the metal content per vertical metre as compared to the previous geological model.

**Key Points**

Wide zones of Tin (Sn) mineralisation continue to be intersected. Refer to Appendix A, for all significant intersections.

- AD036 returned:
  - 27m @ 0.66% Sn from 364m.
  
- AD037 returned :
  - 5m @ 1.59% Sn from 133m, including 2m @ 3.50% Sn
  - 16m @ 0.51% Sn from 279m, including 6m @ 0.98% Sn
  - 13m @ 1.03% Sn from 376m, including 6m @ 1.6% Sn
  
- AD038 returned:
  - 6m @ 0.48% Sn from 354m
  - 3m @ 1.03% Sn from 481m
  
- AD039 returned:
  - 16m @ 0.62% Sn from 321m, including 6m @ 0.98% Sn
  - 10m @ 2.27% Sn from 353m, including 3m @ 5.40% Sn
  - 12m @ 0.97% Sn from 464m, including 5m @ 1.84% Sn

The drilling programme will continue to infill the main Meknes zone with a view to defining 1-2Mt of indicated resource. A new resource statement is expected to be released in the third quarter.

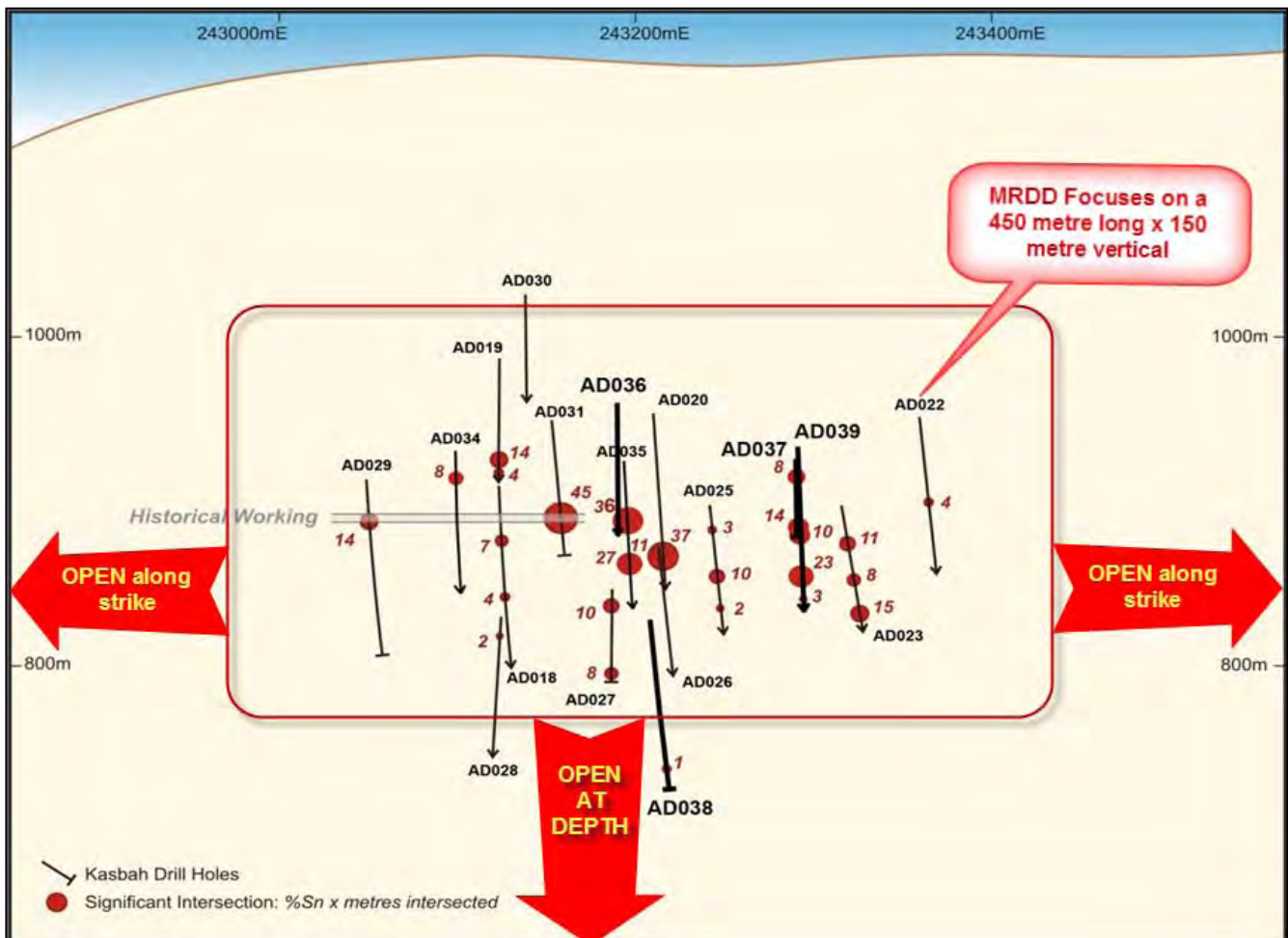
**TECHNICAL SUMMARY**

**Latest Diamond Drilling Results from Meknes Zone**

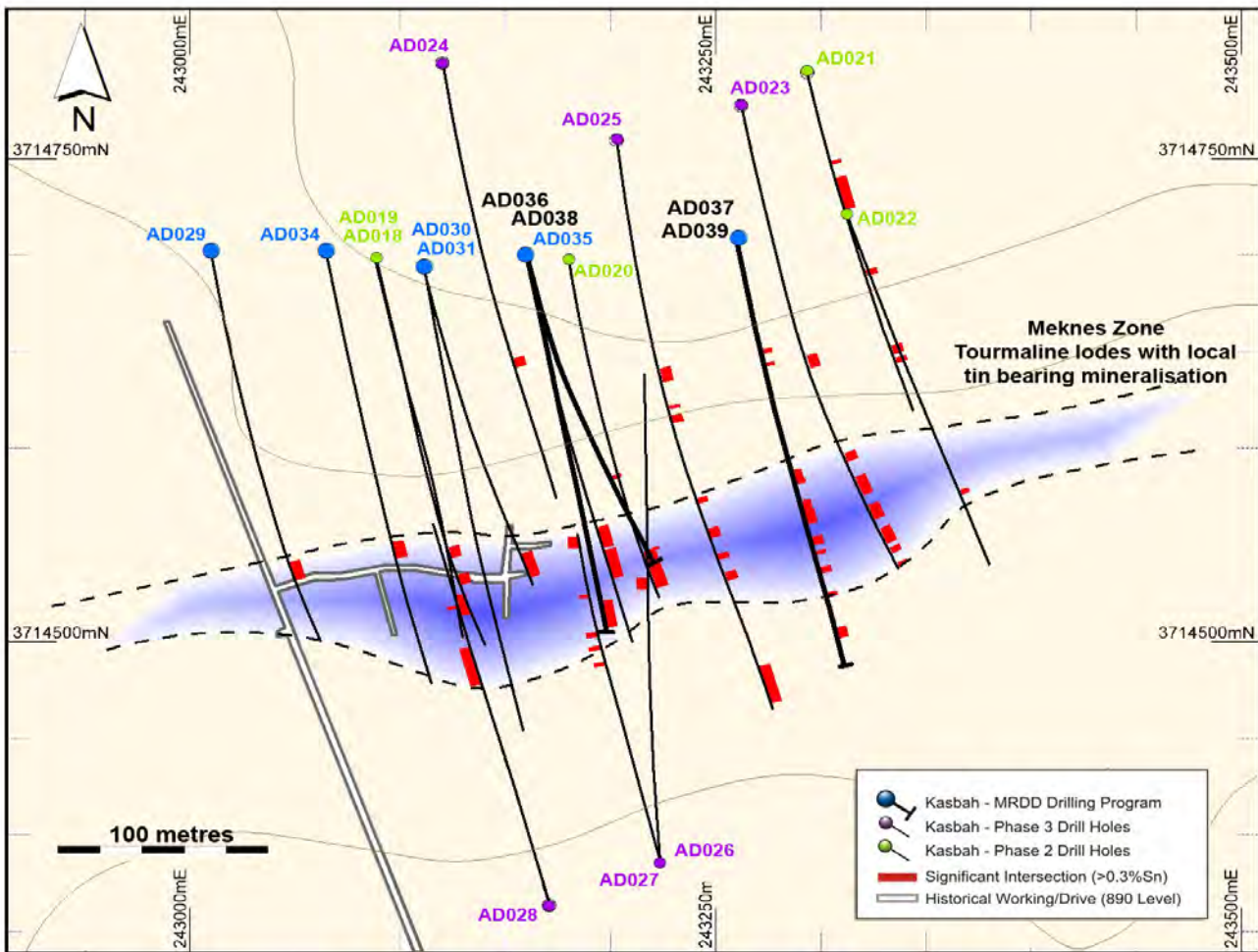
Recent drilling (AD036, AD037, AD038, AD039) has focused on assessing the continuity along strike; i.e between existing drill sections, and the dip extents of the Meknes Zone mineralisation to the east of underground workings between the 950mRL and the 850mRL (Figure 1 and Figure 2).

Results have now been received for the drill-holes listed below. Note that drilling cross sections are oblique to the grid and are named for the earliest hole drilled on that cross section (cross section names are italicised thus MRDD section AD027):

- **AD036:** planned to test Meknes mineralisation up dip from AD035 on *MRDD section AD027*.
- **AD038:** planned to test Meknes mineralisation down dip from AD035 on *MRDD section AD027*, however unplanned hole deviation caused the hole to drift onto *MRDD section AD020*.
- **AD039 (AD037):** planned to test strike continuity of mineralisation between *MRDD section AD025* and *MRDD section AD023*. These two sections are separated by approximately 80m. (Note that hole AD037 stopped before reaching planned target due to drilling problems and was redrilled as AD039.)



**Figure 1: Meknes Zone, MRDD intersections, long section view**  
 The red dots proportionally represent tin metal accumulation (% Sn x metres)



**Figure 2: Meknes Zone, MRDD drill-hole traces, plan view**  
**(Significant tin grade intersections marked in red)**

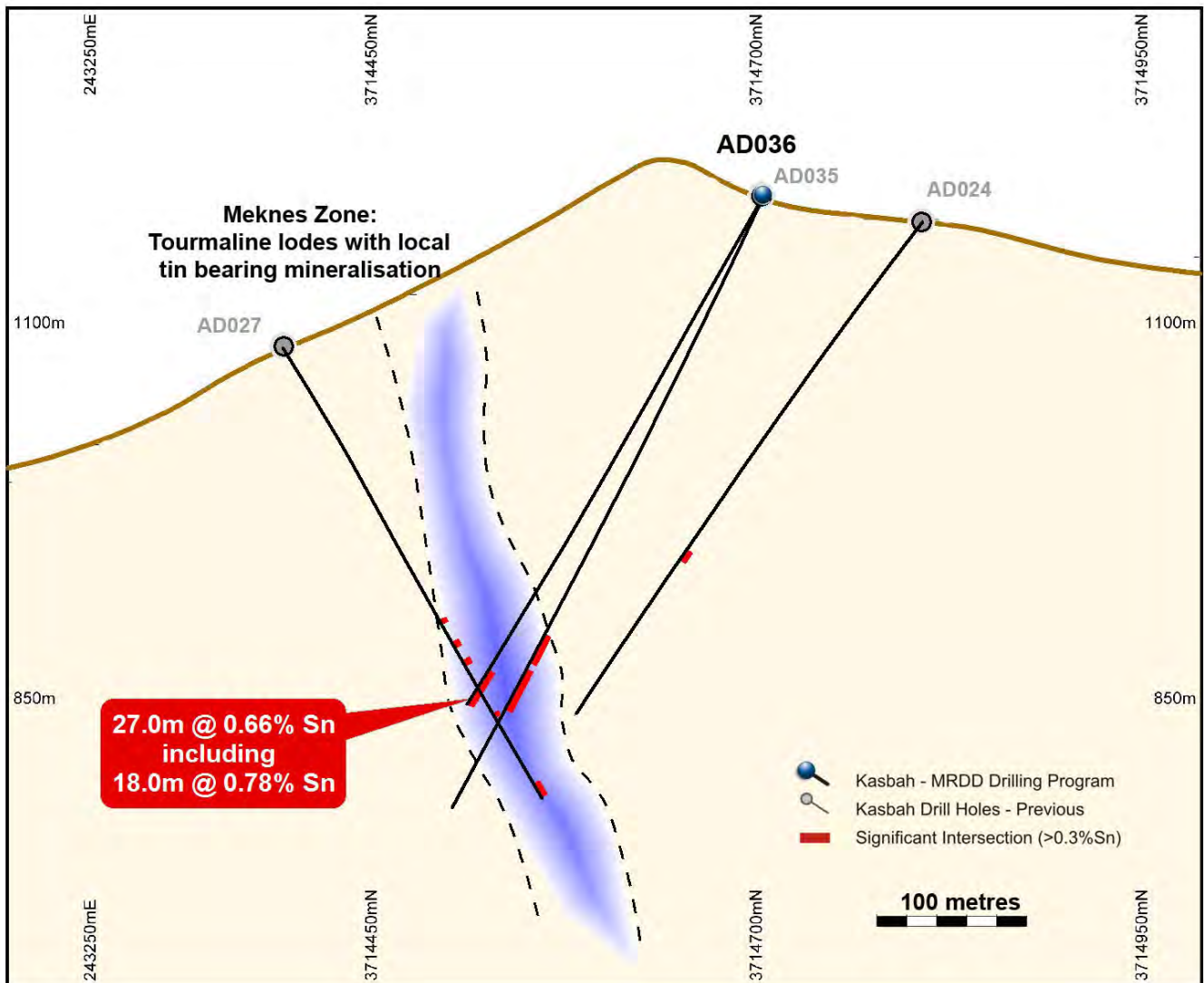
**Meknes Zone, MRDD section AD027 (Hole AD036)**

AD036 was drilled to test up dip from AD035 (**57 m @ 1.10% Sn**). AD036 was encouraging as it intersected a broad zone of 27m @ 0.60% Sn from 364 metres (including 13m @ 0.90% Sn from 365m) up dip from AD035. Significant drill assay results are attached as Appendix C.

All structural measurements carried out on the core confirm the consistent east-west orientation of both tin mineralised and non-mineralised veins. The strong link between pervasive tourmaline alteration in breccias and tin mineralisation is also confirmed in this hole. The geological interpretation of AD035, AD036 and AD027 (Figure 3) now starts to show two orientations to the Tin mineralisation, them being;

- A steep North dipping structure in AD036 is interpreted to correlate with the intercept from drill hole AD031, which is 40m west to the section
- A shallow plunging, globular structure, which could correspond to the centre of the Meknes Zone (is interpreted to be intercepted by the three holes in MRDD section AD027).

The down dip and north extension of the mineralisation will be interpreted according to the results from the next western section (AD030).



**Figure 3: Meknes Zone MRDD section AD027**

#### **Meknes Zone, MRDD section AD020 (hole AD038)**

AD038 was planned to test the down dip extension of hole AD035 (Figure 4 - overleaf). However unplanned hole deviation resulted in this hole passing below hole AD020. The geology in this area is known to be complex with potential for structural disruption of the mineralisation.

The recorded intersections are encouraging and show the presence of potentially economic tin mineralisation with 6m @ 0.48% Sn and 3m @ 1.03% Sn in hole AD038 (Refer to Appendix E for full results). The first intercept (6m @ 0.48% Sn) is located 50m north of the tin intercept from drill hole AD020 and is interpreted to be part of a shallow structure. The second intercept (3m @ 1.03% Sn) is located 130m down dip of AD020 and is possibly part of "a steep structure".

Both interpreted structures could plausibly be either part of the Meknes Zone mineralisation, or the beginning of a new, deeper mineralised zone.

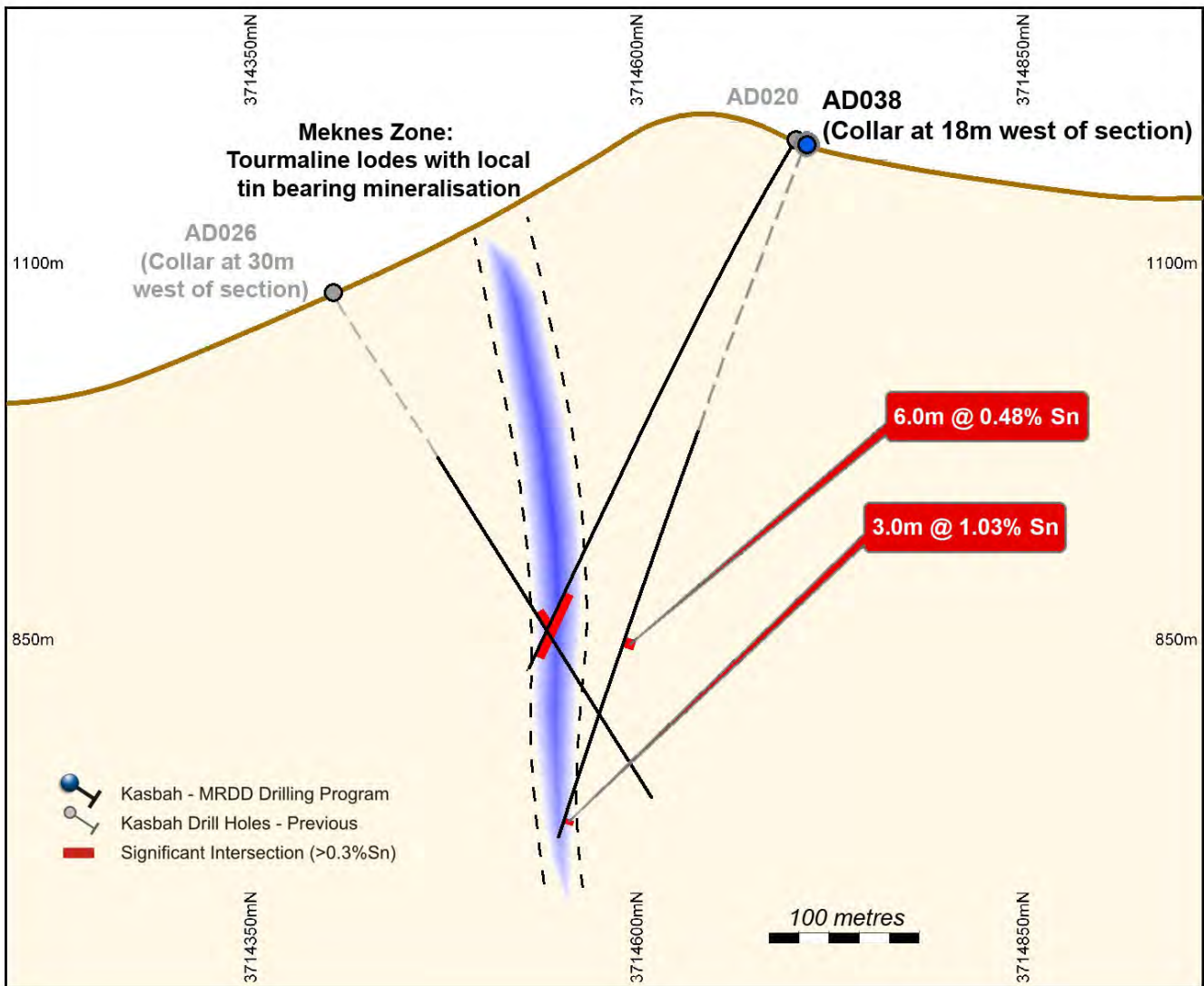


Figure 4: Meknes Zone MRDD section AD020

**Meknes Zone, MRDD section AD037 (holes AD037 & AD039)**

The first hole planned on this section AD037 was intended to test the gap between holes AD025 and AD023 which are approximately 80m apart along strike. AD037 was stopped (at 329.3m down-hole) due to drilling problems and AD039 was drilled adjacent to it, in order to test the original target. (Refer to Figure 5).

Where these two holes are overlapping and thus effectively “twinned”, there is strong correlation between results:

- **AD037:** 279 – 295m - 16m @ 0.51% Sn (including 6m @ 0.98% Sn)
- **AD039:** 321 - 327m - 16m @ 0.62% Sn (including 6m @ 0.98% Sn)

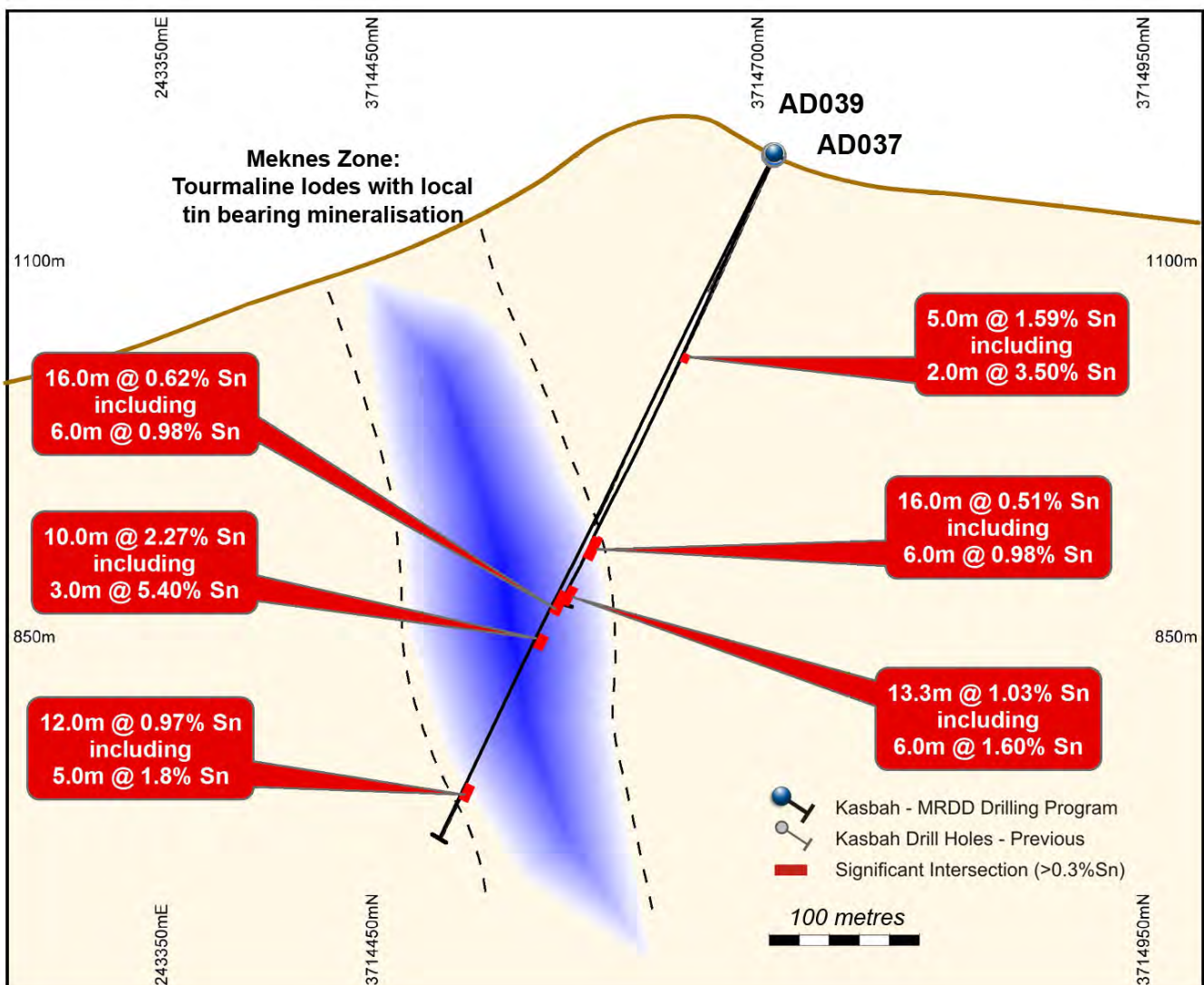
AD037 finished in mineralisation with an incomplete intersection from 316m – 329.3m of 13.3m @ 1.04% Sn (including 6m @ 1.55% Sn from 323m). Refer to Appendix D for full results.

The intersection in AD039 from 353m to 374m may correlate with the 316m-329.3m zone in AD037 and it includes:

- 353m to 363m - 10m @ 2.27% Sn
- 371m to 374m - 3m @ 0.94% Sn

Refer to Appendix F for full results.

AD039 is interpreted to have mineralised structures comparable with those seen in hole AD025, 50m west of the MRDD section AD037 and hole AD023, 30m east of this section. Kasbah geologists now consider these mineralised structures to have a strike extent of more than 80m.



**Figure 5: Meknes Zone MRDD section AD037**

The next drill holes at Meknes are planned to test up dip and down dip of these intercepts on MRDD section AD037-AD039 and MRDD section AD025 (refer to Appendix B for drilling status).

**Drilling Status**

Appendix B outlines the status of drilling as of June 8. Drilling continues and assay results are pending for AD040, AD041 and AD043.

For and on behalf of the Board,



**Wayne Bramwell**  
**Managing Director**

For further information please go to:

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*Kasbah Resources Limited is an Australian listed mineral exploration and development company. Kasbah's strategy is to build a Moroccan focused mining company and our portfolio of Moroccan assets includes the Achmmach Tin Project in the El Hajeb Province and the Tamlalt Gold Project in Eastern Morocco.*

*Kasbah's prime commodity focus is tin.*

*The Achmmach Tin Project is a new, high grade, hard rock tin project in a politically stable country. The project is currently in pre-feasibility and Kasbah's strategy is to continue to increase the size of the JORC resource (6mt @ 0.9% Tin), define the economics and advance Achmmach to a development decision in 2011.*

The information in this report is based on information compiled by Mr. Chris Bolger a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bolger 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. Bolger 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                      Meknes Zone drilling significant intersections**

Hole ID	Collar WGS84 N	Collar WGS84 E	From (m)	To (m)	Down-hole interval (m)	Tin %
<b>AD036</b>	3714700	243160	364	391	27	0.66
		<b>includes</b>	<b>364</b>	<b>382</b>	<b>18</b>	<b>0.78</b>
<b>AD038</b>	3714700	243160	354	360	6	0.48
			481	484	3	1.03
<b>AD037</b>	3714706	243260	133	138	5	1.59
			151	154	3	0.75
			279	295	16	0.51
		<b>includes</b>	<b>289</b>	<b>295</b>	<b>6</b>	<b>0.98</b>
			316	329.3	13.3	1.04
<b>AD039</b>	3714706	243260	285	289	4	0.61
			321	337	16	0.62
		<b>includes</b>	<b>321</b>	<b>327</b>	<b>6</b>	<b>0.98</b>
			353	363	10	2.27
		<b>Includes</b>	<b>359</b>	<b>362</b>	<b>3</b>	<b>5.40</b>
			371	374	3	0.94
			390	397	7	0.50
			421	426	5	0.64
			464	476	12	0.97
		<b>includes</b>	<b>471</b>	<b>476</b>	<b>5</b>	<b>1.84</b>

<sup>A</sup> significant intersections >100m below natural surface selection criteria:

- $\geq 0.3\%Sn$  and  $\geq 5m$  down-hole and  $\leq 3m$  down-hole  $< 0.3\%Tin$  included OR
- $\geq 0.3\%Tin$  and  $\geq 1.5\%$  Tin-metres metal accumulation down-hole and  $\leq 3m$  down-hole  $< 0.3\%Tin$  included

**APPENDIX B**                      **Table 1 Current drill-hole status May 29 2010**

Hole ID	Collar WGS84 N	Collar WGS84 E	Collar dip/ azimuth	Depth (m)	MRDD section	Status
<b>AD040</b>	3714693	243111	-66/170	403	AD030	At laboratory
<b>AD041</b>	3714706	243260	-55/169	401.5	AD037	At laboratory
<b>AD042</b>	3714700	243205	-66/170	26.5	AD025	stopped due to deviation issues, no assay requirement
<b>AD043</b>	3714700	243205	-60/163	405	AD025	At laboratory (same target as AD042)
<b>AD044</b>	3714750	243246	-63/168	445.5	AD037	drilling complete
<b>AD045</b>	3714380	243195	-55/346	406.3	AD030	drilling complete
<b>AD046</b>	3714395	243265	-58/352	33.45	AD025	in progress
<b>AD047</b>	3714760	243203	-60/171		AD025	Setting up

**APPENDIX C AD036 - Significant Results & Drill-hole Details**

Hole ID	Collar WGS84 N	Collar WGS84 E	From (m)	To (m)	Down-hole interval (m)	Tin %
<b>AD036</b>	3714700	243160	364	391	27	0.66
		<b>includes</b>	<b>364</b>	<b>382</b>	<b>18</b>	<b>0.78</b>
All Assays and intervals reported below						

Drill Hole	From (m)	To (m)	Intersection Width	Tin Grade %
AD036	364	365	1	0.63
<b>AD036</b>	<b>365</b>	<b>366</b>	<b>1</b>	<b>1.54</b>
AD036	366	367	1	0.36
<b>AD036</b>	<b>367</b>	<b>368</b>	<b>1</b>	<b>2.00</b>
<b>AD036</b>	<b>368</b>	<b>369</b>	<b>1</b>	<b>1.25</b>
AD036	369	370	1	0.46
<b>AD036</b>	<b>370</b>	<b>371</b>	<b>1</b>	<b>1.54</b>
AD036	371	372	1	0.60
AD036	372	373	1	0.20
AD036	373	374	1	0.48
<b>AD036</b>	<b>374</b>	<b>375</b>	<b>1</b>	<b>1.12</b>
AD036	375	376	1	0.47
AD036	376	377	1	0.55
<b>AD036</b>	<b>377</b>	<b>378</b>	<b>1</b>	<b>1.17</b>
AD036	378	379	1	0.05
AD036	379	380	1	0.35
AD036	380	381	1	0.90
AD036	381	382	1	0.30
AD036	382	383	1	0.19
AD036	383	384	1	0.14
AD036	384	385	1	0.82
AD036	385	386	1	0.13
AD036	386	387	1	0.28
AD036	387	388	1	0.18
AD036	388	389	1	0.47
<b>AD036</b>	<b>389</b>	<b>390</b>	<b>1</b>	<b>1.21</b>
AD036	390	391	1	0.28

**APPENDIX D AD037 - Significant Results & Drill-hole Details**

Hole ID	Collar WGS84 N	Collar WGS84 E	From (m)	To (m)	Down-hole interval (m)	Tin %
<b>AD037</b>	3714706	243260	133	138	5	1.59
			151	154	3	0.75
			279	295	16	0.51
		<b>includes</b>	<b>289</b>	<b>295</b>	<b>6</b>	<b>0.98</b>
			316	329.3	13.3	1.04
		<b>Includes</b>	<b>323</b>	<b>329.3</b>	<b>6</b>	<b>1.6%</b>
<b>All Assays and intervals reported below</b>						

Drill Hole	From (m)	To (m)	Intersection Width	Tin Grade %
<b>AD037</b>	<b>133</b>	<b>134</b>	<b>1</b>	<b>2.98</b>
<b>AD037</b>	<b>134</b>	<b>135</b>	<b>1</b>	<b>3.97</b>
AD037	135	136	1	0.01
AD037	136	137	1	0.23
AD037	137	138	1	0.76
<b>AD037</b>	<b>151</b>	<b>152</b>	<b>1</b>	<b>1.40</b>
AD037	152	153	1	0.54
AD037	153	154	1	0.32
AD037	279	280	1	0.33
AD037	280	281	1	0.04
AD037	281	282	1	0.31
AD037	282	283	1	0.02
AD037	283	284	1	0.22
AD037	284	285	1	0.57
AD037	285	286	1	0.46
AD037	286	287	1	0.02
AD037	287	288	1	0.01
AD037	288	289	1	0.20
<b>AD037</b>	<b>289</b>	<b>290</b>	<b>1</b>	<b>2.02</b>
<b>AD037</b>	<b>290</b>	<b>291</b>	<b>1</b>	<b>1.44</b>
AD037	291	292	1	0.38
AD037	293	294	1	0.02
<b>AD037</b>	<b>294</b>	<b>295</b>	<b>1</b>	<b>1.14</b>
AD037	316	317	1	0.36
AD037	317	318	1	0.44
<b>AD037</b>	<b>318</b>	<b>319</b>	<b>1</b>	<b>1.34</b>
<b>AD037</b>	<b>319</b>	<b>320</b>	<b>1</b>	<b>1.36</b>
AD037	320	321	1	0.35
AD037	321	322	1	0.14
AD037	322	323	1	0.11
<b>AD037</b>	<b>323</b>	<b>324</b>	<b>1</b>	<b>2.06</b>
<b>AD037</b>	<b>324</b>	<b>325</b>	<b>1</b>	<b>1.28</b>
AD037	325	326	1	0.82
<b>AD037</b>	<b>326</b>	<b>327</b>	<b>1</b>	<b>1.74</b>
<b>AD037</b>	<b>327</b>	<b>328</b>	<b>1</b>	<b>2.23</b>
<b>AD037</b>	<b>328</b>	<b>329.3</b>	<b>1.3</b>	<b>1.19</b>

**APPENDIX E AD038 - Significant Results & Drill-hole Details**

Hole ID	Collar WGS84 N	Collar WGS84 E	From (m)	To (m)	Down-hole interval (m)	Tin %
<b>AD038</b>	3714700	243160	354	360	6	0.48
			481	484	3	1.03
<b>All Assays and intervals reported below</b>						

Drill Hole	From (m)	To (m)	Intersection Width	Tin Grade %
AD038	354	355	1	0.32
AD038	355	356	1	0.16
AD038	356	357	1	0.30
AD038	357	358	1	0.93
AD038	358	359	1	0.78
AD038	359	360	1	0.37
AD038	481	482	1	0.75
<b>AD038</b>	<b>482</b>	<b>483</b>	<b>1</b>	<b>1.80</b>
AD038	483	484	1	0.55

**APPENDIX F AD039 - Significant Results and Drill-hole Details**

Hole ID	Collar WGS84 N	Collar WGS84 E	From (m)	To (m)	Down-hole interval (m)	Tin %
AD039	3714706	243260	285	289	4	0.61
			321	337	16	0.62
		<b>includes</b>	<b>321</b>	<b>327</b>	<b>6</b>	<b>0.98</b>
			353	363	10	2.27
		<b>Includes</b>	<b>359</b>	<b>362</b>	<b>3</b>	<b>5.40</b>
			371	374	3	0.94
			390	397	7	0.50
			421	426	5	0.64
			464	476	12	0.97
		<b>includes</b>	<b>471</b>	<b>476</b>	<b>5</b>	<b>1.84</b>
<b>All Assays and intervals reported below</b>						

Drill Hole	From (m)	To (m)	Intersection Width	Tin Grade %
AD039	285	286	1	0.84
AD039	286	287	1	0.00
AD039	287	288	1	0.02
<b>AD039</b>	<b>288</b>	<b>289</b>	<b>1</b>	<b>1.59</b>
AD039	321	322	1	0.55
<b>AD039</b>	<b>322</b>	<b>323</b>	<b>1</b>	<b>1.79</b>
<b>AD039</b>	<b>323</b>	<b>324</b>	<b>1</b>	<b>1.89</b>
AD039	324	325	1	0.64
AD039	325	326	1	0.41
AD039	326	327	1	0.62
AD039	327	328	1	0.11
AD039	328	329	1	0.15
AD039	329	330	1	0.32
AD039	330	331	1	0.07
<b>AD039</b>	<b>331</b>	<b>332</b>	<b>1</b>	<b>1.47</b>
AD039	332	333	1	0.15
AD039	333	334	1	0.01
AD039	334	335	1	0.02
AD039	335	336	1	0.56
<b>AD039</b>	<b>336</b>	<b>337</b>	<b>1</b>	<b>1.13</b>
<b>AD039</b>	<b>353</b>	<b>354</b>	<b>1</b>	<b>1.09</b>
<b>AD039</b>	<b>354</b>	<b>355</b>	<b>1</b>	<b>1.09</b>
AD039	355	356	1	0.19
AD039	357	358	1	0.74
AD039	358	359	1	0.35
<b>AD039</b>	<b>359</b>	<b>360</b>	<b>1</b>	<b>5.48</b>
<b>AD039</b>	<b>360</b>	<b>361</b>	<b>1</b>	<b>7.32</b>
<b>AD039</b>	<b>361</b>	<b>362</b>	<b>1</b>	<b>3.44</b>
AD039	362	363	1	0.53
AD039	371	372	1	0.33

Drill Hole	From (m)	To (m)	Intersection Width	Tin Grade %
<b>AD039</b>	<b>372</b>	<b>373</b>	<b>1</b>	<b>1.18</b>
<b>AD039</b>	<b>373</b>	<b>374</b>	<b>1</b>	<b>1.30</b>
AD039	390	391	1	0.88
AD039	391	392	1	0.37
AD039	392	393	1	0.15
AD039	393	394	1	0.03
AD039	394	395	1	0.25
AD039	395	396	1	0.71
<b>AD039</b>	<b>396</b>	<b>397</b>	<b>1</b>	<b>1.13</b>
AD039	421	422	1	0.63
AD039	422	423	1	0.42
AD039	423	424	1	0.86
AD039	424	425	1	0.97
AD039	425	426	1	0.30
AD039	464	465	1	0.34
AD039	465	466	1	0.29
AD039	466	467	1	0.40
AD039	467	468	1	0.74
AD039	468	469	1	0.22
AD039	469	470	1	0.32
AD039	470	471	1	0.16
AD039	471	472	1	0.63
<b>AD039</b>	<b>472</b>	<b>473</b>	<b>1</b>	<b>1.35</b>
<b>AD039</b>	<b>473</b>	<b>474</b>	<b>1</b>	<b>5.44</b>
<b>AD039</b>	<b>474</b>	<b>475</b>	<b>1</b>	<b>1.18</b>
AD039	475	476	1	0.60