

19 May 2010

ASX Code: KAS

Board & Management

Graeme Walker
Non Executive Chairman

Wayne Bramwell
Managing Director

Rod Marston
Non Executive Director

Rob Weinberg
Non Executive Director

Trevor Hart
CFO / Company Secretary

Country Manager
Chris Bolger

Exploration Manager
Jeffrey Lindhorst

Projects - Morocco

- Achmmach Tin Project
- Tamlalt Gold Project

Investment Data

Shares on Issue 190M

Shareholders

Top 20 Hold 66%

LME Tin Price (17/05/10)

US\$17, 650 / t (cash buyer)

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www.kasbahresources.com

AUSTRALIAN GOVERNMENT APPROVES IFC & AFL INVESTMENT IN KASBAH



HIGHLIGHTS

- The Australian Foreign Investment Review Board has approved the proposed A\$3.5M investment by the International Finance Corporation and the African Lion Fund.
- Subscription Agreements signed with both parties
- Traxys placement of A\$1M has been completed and shares issued.
- Post Shareholder approval of the International Finance Corporation and African Lion Group investment, Kasbah will have completed a capital raising of \$4.5M with 3 strategic parties at above average market price to advance the Company's priority Achmmach Tin Project.

**FOREIGN INVESTMENT REVIEW BOARD APPROVAL RECEIVED & TRAXYS PLACEMENT
COMPLETED**

IFC AND AFL PLACEMENT

It is with great pleasure that Kasbah Resources Limited (**ASX:KAS**) ("Kasbah") wishes to advise that the International Finance Corporation ("IFC") and African Lion ("AFL") have both received written approval from the Australian government Foreign Investment Review Board ("FIRB") for their investments in Kasbah, previously announced on the 17 March 2010.

In addition to the FIRB approval, the IFC investment was also subject to the IFC's mandatory 30 day disclosure and IFC board approval. Both of these conditions have now been completed and a Subscription Agreement has been signed between Kasbah and the IFC. The AFL investment was not contingent upon this 30 day disclosure condition and a subscription agreement has been signed.

The final condition in completing the proposed A\$3.5M investment by the IFC and AFL in Kasbah is approval by Kasbah Shareholders.

A Notice of Meeting has been sent to all shareholders and a general meeting has been scheduled to be held at 9am Friday the 28 May 2010. This meeting is to be held at The Perth Zoo Conference Centre, 20 Labouchere Road South Perth.

TRAXYS PLACEMENT

As announced on 19 April 2010, Traxys has taken a placement 13.3M fully paid ordinary shares at **\$0.075** cents per share to raise an additional **\$1.0M**. Kasbah is pleased to announce that this above market transaction was completed on the 27 April 2010 with a subscription agreement being signed and all shares and options having now been placed with Traxys.

On completion of the above agreement and shareholders' approval, Kasbah will raise a total of \$4.5 million to advance the exploration and development programmes at the company's Achmmach Tin Project in Morocco.

For and on behalf of the Board,

A handwritten signature in blue ink, appearing to read "Wayne Bramwell", is written over a horizontal line.

Wayne Bramwell
Managing Director

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Or email:

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