



AD010 – 16m @ 0.5% Sn from 70m

QUARTERLY ACTIVITIES REPORT TO MARCH 31 2008

23 April 2008

The Manager
Company Announcements Office
Australian Stock Exchange

HIGHLIGHTS

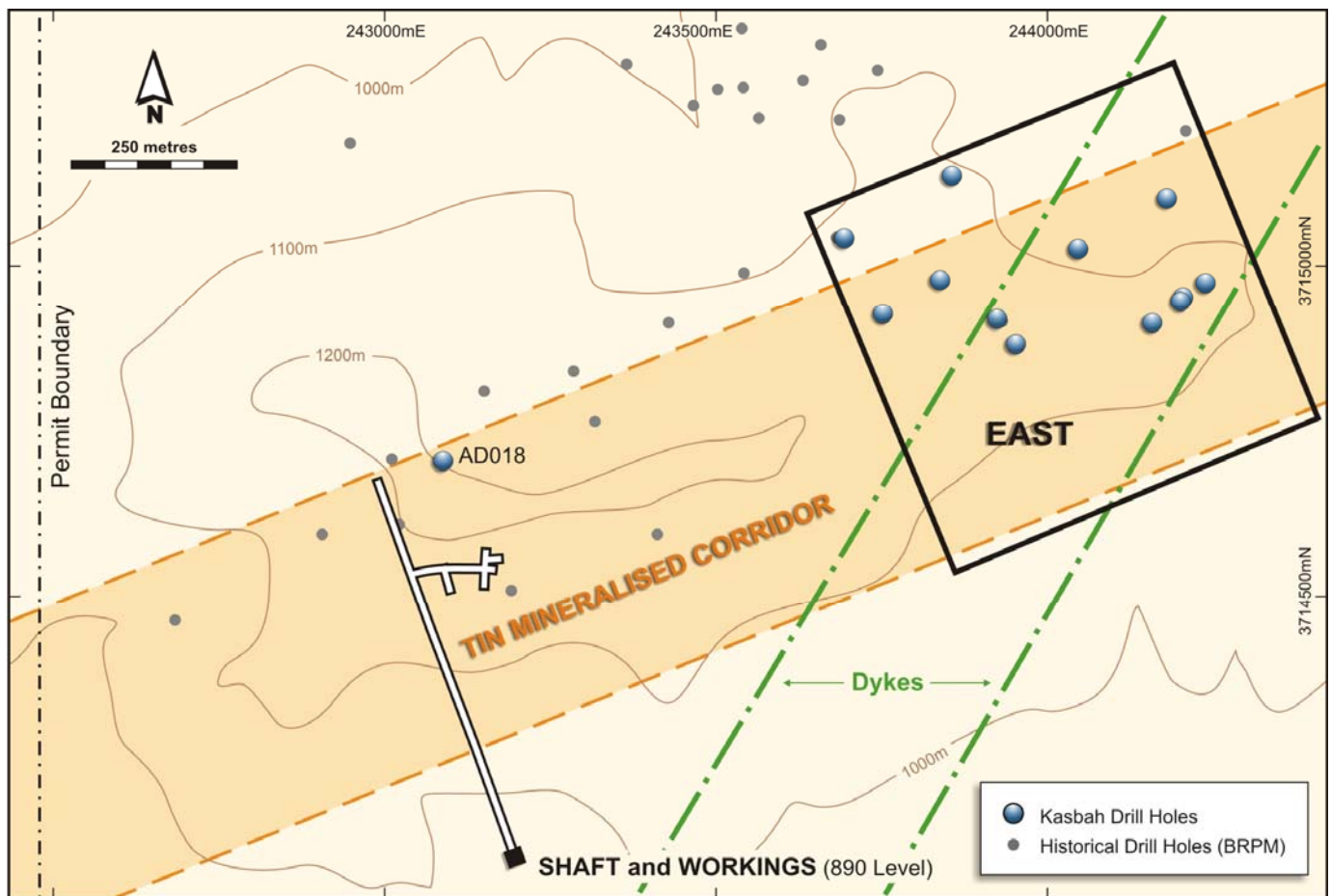
- Kasbah has completed Phase 1 of its diamond drilling programme in the Eastern area of the Achmmach Tin Project
- To date, the best down hole intercepts received in Phase 1 include;
 - AD009:**
 - **5m @ 0.9% Sn from 91m** (including 3.0m @ 1.3% Sn from 93m)
 - **8m @ 1.1% Sn from 200m** (including 1m @ 4.1% from 200m)
 - AD010:**
 - **16.0m @ 0.5% Sn from 70m** (including 4.0m @ 1.0% from 77m)
 - AD013:**
 - **6.3m @ 0.71% Sn from 360.1m** (including 2.3m @ 0.97% Sn from 360.1m)
 - **6.9m @ 0.4% Sn from 444.7m**
 - **3.7m @ 1.1% Sn from 453.9m** (including 1m @ 1.9% Sn from 455.6m)
 - AD014:**
 - **8.8m @ 2.0% Sn from 259.3m** (including 0.8m @ 4.7% Sn from 266.5m)
 - **8.8m @ 1.2% Sn from 331.2m** (including 1.1m @ 3.3% Sn from 266.5m)
- Additional assays are pending for Phase 1
- Phase 2 drilling has now commenced in the Western area above the existing underground workings as planned.

1.0 ACHMMACH TIN PROJECT

1.1 Exploration Activities for the Quarter

For the quarter ending 31st March 2008, 7 diamond core holes (AD011 to AD017) totalling 2,322 metres were completed in the Eastern area of the Achmmach Tin Project.

Figure 1
Location of the Historic BRPM and Recent Kasbah Drilling



Assay results for drill holes AD009 - AD014 were received. The most significant intersections to date include:

- ❑ 8.0m @ 1.1% Sn from 200.0m (AD009)
- ❑ 16.0m @ 0.5% Sn from 70.0m (AD010)
- ❑ 8.8m @ 2.0% Sn from 259.3m (AD014)
- ❑ 8.8m @ 1.2% Sn from 331.2m (AD014)



Table 1 below details these results.

Table 1
Summary of Significant Tin Intercepts From Drill Holes at Achmmach

Hole ID	From metres (m)	To (m)	Down hole Width (m)	Sn Grade (%)
AD009	52.0	53.0	1.0	1.93
AD009	81.0	85.0	4.0	0.35
AD009	91.0	96.0	5.0	0.87
including	93.0	96.0	3.0	1.25
AD009	101.0	102.0	1.0	0.39
AD009	132.0	133.0	1.0	0.33
AD009	140.0	141.0	1.0	1.39
AD009	145.0	146.0	1.0	2.43
AD009	160.0	163.0	3.0	0.34
AD009	200.0	208.0	8.0	1.09
including	200.0	203.0	3.0	1.80
including	200.0	201.0	1.0	4.08
including	205.0	207.0	2.0	1.19
AD009	211.0	212.0	1.0	0.56
AD010	54.0	55.0	1.0	0.50
AD010	63.0	65.0	2.0	0.85
AD010	70.0	86.0	16.0	0.50
including	77.0	81.0	4.0	1.01
AD010	85.0	86.0	1.0	0.71
AD010	122.0	123.0	1.0	0.51
AD011	185.0	187.0	2.0	0.47
AD011	201.0	202.0	1.0	1.87
AD011	226.0	227.0	1.0	0.50
AD011	236.0	237.0	1.0	1.32
AD011	311.0	312.0	1.0	1.16
AD011	360.0	362.0	2.0	0.76
AD011	367.0	368.0	1.0	0.35
AD011	372.0	373.0	1.0	0.30
AD011	382.0	383.0	1.0	0.46

AD013	302.0	304.0	2.0	0.69
AD013	360.1	366.4	6.3	0.71
including	360.1	362.4	2.3	0.97
including	364.1	365.5	1.4	0.97
AD013	369.8	372.0	2.2	0.39
AD013	377.7	378.7	1.0	0.30
AD013	398.1	399.1	1.0	0.98
AD013	407.0	409.4	2.4	0.65
AD013	412.5	416.6	4.1	0.49
AD013	419.6	421.6	2.0	0.52
AD013	423.5	424.9	1.4	0.36
AD013	428.6	434.0	5.4	0.39
AD013	444.7	451.6	6.9	0.35
AD013	453.9	457.6	3.7	1.05
including	455.6	456.6	1.0	1.89
AD014	34.1	36.4	2.3	0.56
AD014	259.3	268.1	8.8	2.02
including	262.7	268.1	5.4	2.77
including	266.5	267.3	0.8	4.71
AD014	287.0	289.1	2.1	0.58
AD014	331.2	340.0	8.8	1.20
including	336.3	337.4	1.1	3.34
including	336.3	336.9	0.6	4.69
AD015				AR
AD016				AR
AD017				AR

Significant defined as $\geq 1\text{m}$ and $\geq 0.3\%$ Sn with $\leq 1\text{m}$ internal dilution

NS – not sampled NSR – no significant results AR – awaiting results S – sampling in progress

%Sn – determined by XRF/ICP-AES method

Sample prep and analyses by Reminex Lab, Marrakech, Morocco

Reminex are certified ISO9001 by SGS and ISO17025 by Cofrac

AD001-11 samples were HQ¼ core, subsequent sampling was HQ½ core

Table 2
Achmmach Phase 1 Drill Collars

HOLE ID	Depth	East	North	LOCAL GRID	Dip	UTM ZONE 30N	North
				Elevation		East	
	m	m	m	m	deg	m	m
AD001	101.1	2498	10259	1153	-75	243951	3714876
AD002	235.1	2501	10259	1153	-53	243953	3714877
AD003	124.4	2793	10201	1117	-60	244236	3714970
AD004	154.2	2794	10200	1117	-55	244237	3714970
AD005	240.9	2792	10200	1117	-45	244236	3714969
AD006	234.1	2749	10195	1128	-45	244201	3714944
AD007	121.0	2753	10197	1128	-75	244203	3714947
AD008	212.2	2695	10185	1131	-45	244159	3714908
AD009	243.0	2445	10399	1144	-60	243836	3714971
AD010	204.6	2445	10398	1144	-45	243836	3714970
AD011	430.3	2495	10302	1150	-48	243927	3714911
AD012	153.0	2494	10303	1150	-80	243926	3714912
AD013	464.6	2806	10338	1071	-50	244180	3715096
AD014	370.1	2654	10341	1084	-45	244046	3715024
AD015	423.5	2541	10529	1108	-45	243855	3715132
AD016	241.0	2347	10397	1157	-60	243752	3714921
AD017	239.1	2352	10526	1108	-45	243692	3715036
1. Unsurveyed collars, UTM XY locations defined by handheld GPS then converted to local grid							
2. 4192 m drilled to date							
3. AD017 was abandoned at 239.1m in broken ground.							

Figure 2
Achmmach Tin Project –Phase 1 Drill Plan (Eastern Area)

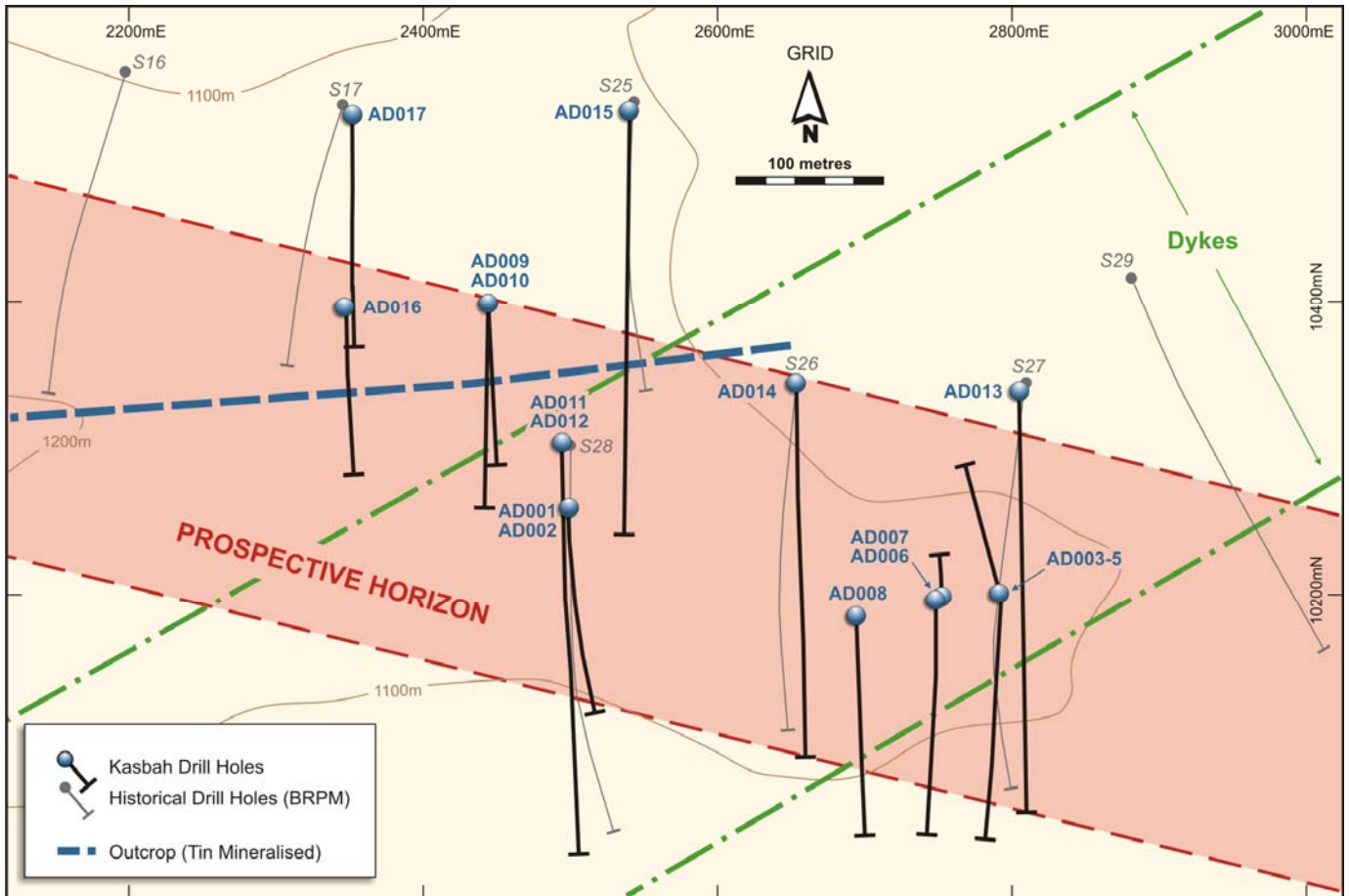


Figure 3
Achmmach Tin Project – Section 2450E

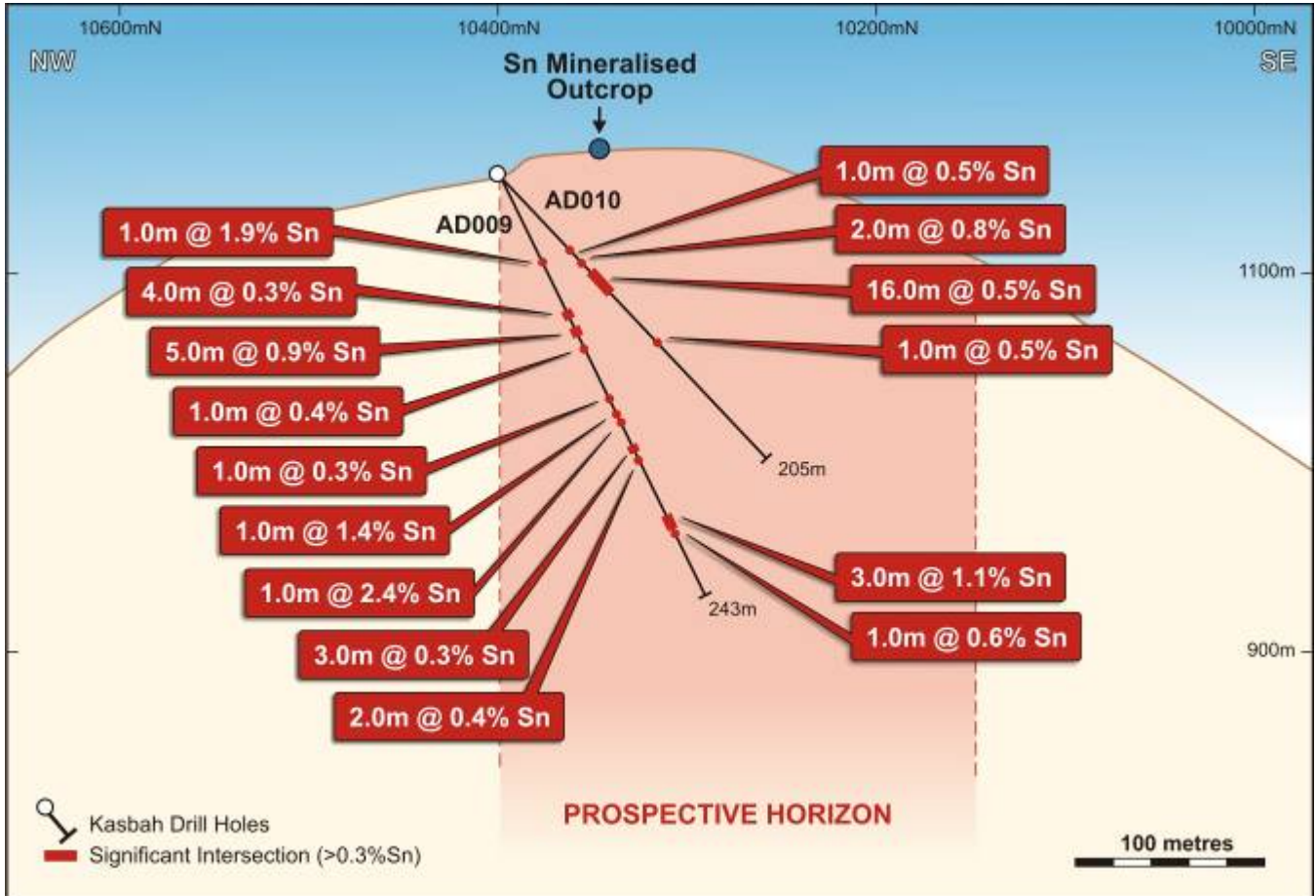
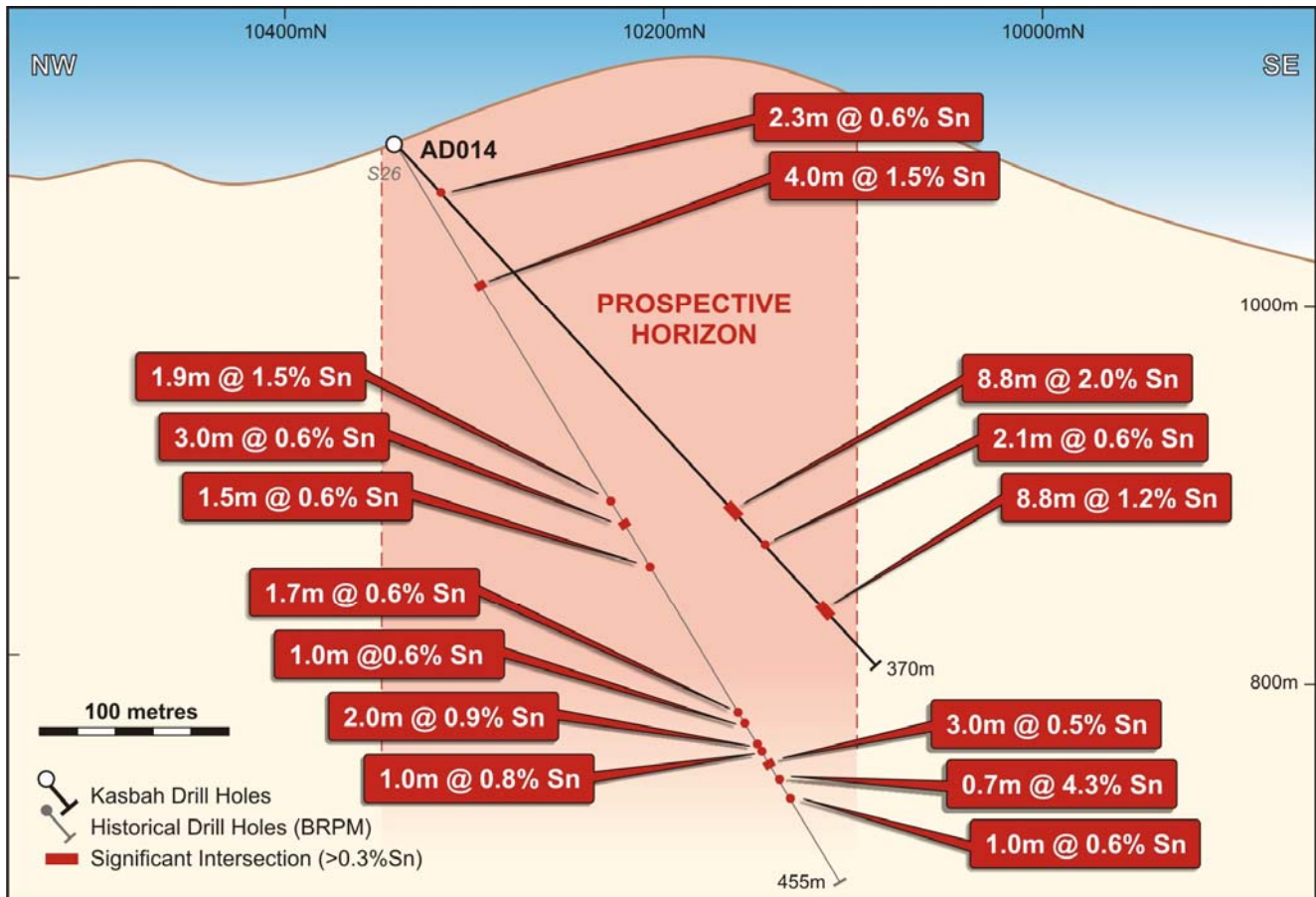


Figure 4
Achmmach Tin Project – Section 2650E



The interpretation for holes AD011, 012 and 013 are being compiled and are not yet available.

The Phase 1 drill programme was focused on the Eastern area of the Achmmach Tin Project (**Figures 1 and 2**). This programme comprising 17 holes for 4,192 metres was completed in April 2008.

Achmmach geology is dominated by a north-east trending metamorphosed greywacke sequence traversed by near vertical east-west structures. These structures are usually marked by outcrops of tourmaline and silica altered breccias. Tin mineralisation is commonly associated with these breccias.

Drilling results to date indicate the eastern area is also traversed by a north-east trending swarm of Dolerite Dykes which are now recognised as another control on the distribution of significant tin mineralisation. Fractured and micro-fractured zones in and around these dykes have allowed penetration of hydrothermal fluids enriched in tin.

It is inferred the intersection of the east-west structures and dykes would be a favourable site for tin mineralisation however the drill pattern is too broad at this stage to prove the orientation of these features.



These tin mineralised zones are best defined at a natural low cut of 0.3% Sn. At a tin price of US\$19,000 – 20,000 per tonne (LME spot price at April 21 was US\$21,900); a 0.3% Sn cut off is now considered appropriate for delineating potential economic ore.

The application of the 0.3% Sn cut has advanced the definition of significant zones of tin mineralisation.

Planning for any follow up program for the eastern area will be undertaken when all drill assay results have been received and processed. A full interpretation of all of the Phase 1 results will be undertaken during the next quarter.

As planned, the Phase 2 drilling programme was commenced. The diamond drill rig has now moved to the western end of the project, centred upon the existing underground workings. The aim of this drill program is to confirm the tin mineralisation previously intersected by BRPM and to define the 3D shape of ore along strike, up dip and down dip from the previous BRPM exploration work.

2.0 EL KARIT TIN PROJECT

2.1 Exploration Activity for the Quarter

No further field exploration work was undertaken on El Karit during the quarter. Results of the in-situ bulk sampling programme carried out are awaited.

3.0 TAMLALT GOLD DEPOSIT

The Tamlalt gold deposit mining property is 100% owned by Kasbah Resources and is covered by eight exploration permits covering a total surface area of 128 km² in Eastern Morocco.

3.1 Exploration Activity for the Quarter

During the quarter consultants completed a detailed structural interpretation of the project. A site investigation is scheduled for the next quarter as a precursor to the development of a detailed exploration programme.

4.0 CORPORATE

International Tin Conference – Hong Kong, April 16 and 17, 2008

The bi-annual International Tin Conference was held in Hong Kong on April 16 and 17. A record number of delegates attended the conference with the tin price breaking through the US\$21,000 per tonne barrier during this week.

A summary of the major issues facing the tin industry include:

- the demand and supply gap continues to grow;
- demand side pressure will increase – primarily by solder demand in the electronics sector;
- tin metal demand in China is expected to grow at approximately 10% per annum;
- the increase in demand was unlikely to be met by newly proposed alluvial tin projects;



- Supply side problems are growing and continue to be exacerbated by:
 - chronic under-investment in new projects over the last 2 decades;
 - diminishing production and increasing production costs from aging or mature mines;
 - production cost escalation in many on-shore mining or shallow tin dredging operations as oil price rises;
 - increased pressure from NGO groups on illegal mining or environmentally damaging sources of production.

ITRI Limited, the leading technical body of the tin Industry stated that;

“To meet forecast tin demand that mine production outside of China and Indonesia needs to double in the next 5 years.”

Managing Director of Kasbah Resources Limited presented a paper titled **“Re-energising the Moroccan Tin Industry”**, outlining the history and potential future of tin production in Morocco. A copy of the presentation can be found at www.kasbahresources.com.

Relocation of Managing Director

During this important phase of the Company’s development, the Managing Director, Wayne Bramwell, has re-located to Morocco.

Capital Structure and Major Shareholders

The total number of ordinary fully paid shares quoted on the ASX at 31 March 2008 was 73,208,000. The top 20 shareholders held 74.78% of the stock.

For and on behalf of the Board,

Wayne Bramwell
Managing Director

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Chief Financial Officer
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This report is based on information compiled by Mr. Peter Hepburn-Brown a Member of the Institute of Engineers, Australia. Mr. Hepburn-Brown has sufficient experience which is relevant to the activities which he is undertaking to qualify as a Competent Person. Mr. Hepburn-Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

KASBAH RESOURCES LIMITED

ABN

78 116 931 705

Quarter ended ("current quarter")

MARCH 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(883)	(1,345)
(b) development	(7)	(54)
(c) production		
(d) administration	(284)	(974)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	121	437
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,053)	(1,936)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	(11)	(527)
(b)equity investments		
(c) other fixed assets	(64)	(136)
1.9 Proceeds from sale of: (a)prospects		
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities/subsidiaries	-	(626)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(75)	(1,289)
1.13 Total operating and investing cash flows (carried forward)	(1,128)	(3,225)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,128)	(3,225)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other - Share issue costs		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,128)	(3,225)
1.20	Cash at beginning of quarter/year to date	8,766	10,863
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	7,638	7,638

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.2	Aggregate amount of payments to the parties included in item 1.2	100
1.2	Aggregate amount of loans to the parties included in item 1.10	-

1.2 Explanation necessary for an understanding of the transactions

Nil

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	986
4.2 Development	119
Total	1,105

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,218	2,197
5.2 Deposits at call	5,450	5,306
5.3 Bank overdraft		
5.4 Other (provide details)-Cash held in Morocco	970	1,263
Total: cash at end of quarter (item 1.22)	7,638	8,766

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Not Applicable.		
6.2	Interests in mining tenements acquired or increased	Not Applicable		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Performance +securities <i>(description)</i>	15,000,003	Nil		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	88,500,003	73,208,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

7.7	Options <i>(description and conversion factor)</i>	9,000,000 Management Options	Nil	<i>Exercise price</i> \$0.25	15 Nov 2011
		5,625,000 Director A Options	Nil	\$0.25	15 Nov 2011
		1,450,000 Director B Options	Nil	\$0.20	10 May 2011
		2,070,00 Argonaut Options	Nil	\$0.30	10 April 2010
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~ *(delete one)* give a true and fair view of the matters disclosed.



Sign here:

Date: April 23rd, 2008.

Chief Financial Officer & Company Secretary

Print name:

Peter R. Youd

+ See chapter 19 for defined terms.