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The Manager  
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## KASBAH AWARDS DIAMOND DRILLING CONTRACT

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### Key Points

- Exploration programme progressing to schedule
- Kasbah awards diamond drilling Contract to Spektra Jeotek of Turkey
- Phase 1 programme of 4,000m diamond drilling to commence in September
- Encouraging high grade surface rock chip samples at Achmmach

**Kasbah Resources Limited (ASX: KAS)** is pleased to announce that the company has awarded its maiden diamond drilling contract to Spektra Jeotek (Spektra) of Turkey. This contract is to drill 4,000m of diamond core across the Achmmach and El Karit tin projects.

On announcing the award of the contract Managing Director Wayne Bramwell said:

*“Kasbah has awarded this contract to Spektra to commence the phase 1 drilling programme at our flagship Achmmach Tin Project and the El Karit Tin Project. The phase 1 programme at Achmmach will seek to test and define the shallower tin mineralisation with a view to an open pit development. Phase 1 at the El Karit Tin Project will be to define ore body geometry and test additional hard rock targets within the permit.*

*In addition Kasbah is planning an auger drilling programme at the Tafer El Haj prospect within the El Karit permit. Tafer El Haj is a new alluvial target and this auger campaign is planned to define potential resource tonnage and grade.*

*Spektra is a long established, international drilling company with 35 drilling rigs and has extensive experience in North Africa. They are currently drilling in Algeria and we look forward to the immediate mobilisation of a track mounted rig to Kasbah’s prospects in Morocco.”*

### 1.0 ACHMMACH TIN PROJECT

#### Project Overview

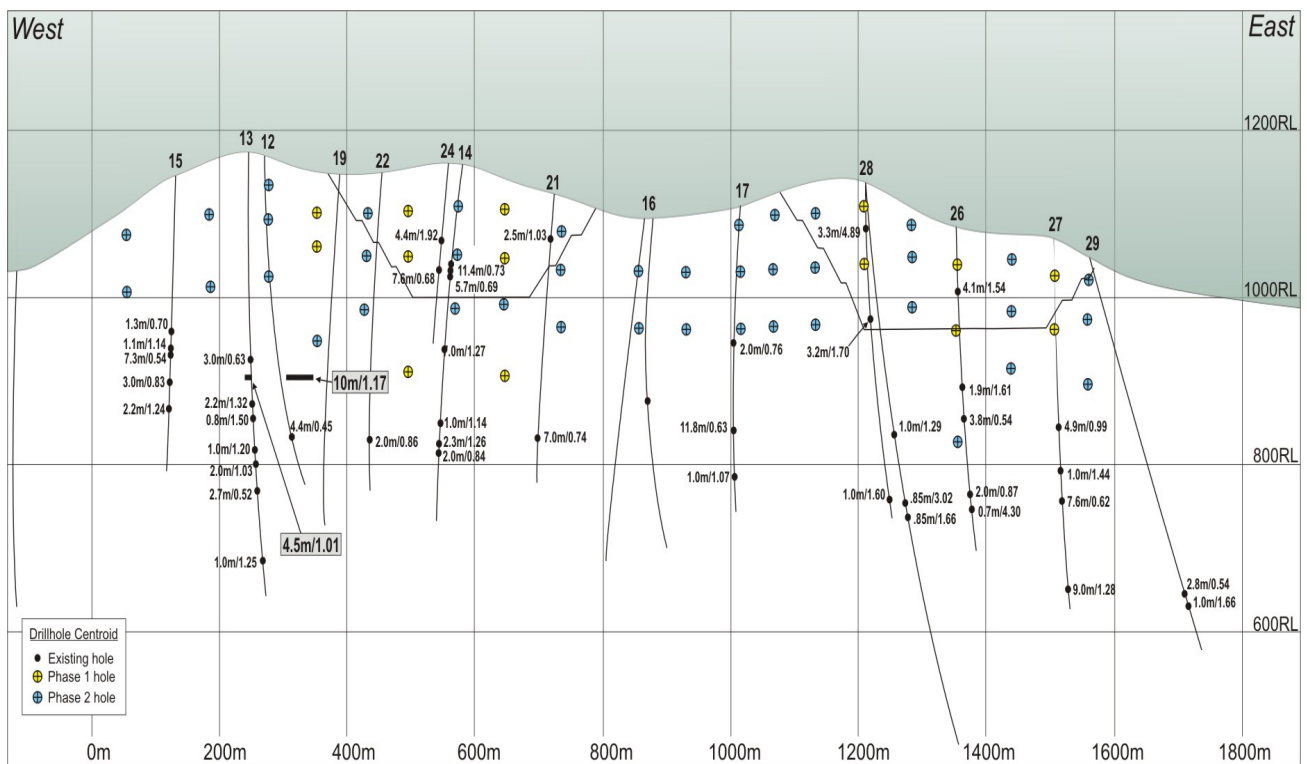
The Achmmach Project represents a large, highly prospective tin exploration project in which Kasbah has an exclusive right to acquire a 100% interest. The Achmmach Project is located on the western edge of the El Hajeb province, approximately 140km southeast of the Moroccan capital, Rabat. This district contains a wide zone of tin bearing structures extending for 8km in a north northeast direction, from Bou El Jai to Achmmach.

## Phase 1 Programme

The initial drilling program comprises approximately 3,700m of diamond drilling in 10 holes. These holes are designed to both validate several of the historic drill-intersections and to test for up-dip extensions of known high grade intercepts.

The best mineralised rock chip sample undertaken by Kasbah during the last quarter returned **3.73% Sn** and **0.34g/t Au** from a narrow tourmalinised “vein” exposed between drill hole collars DH25 and DH28. Follow-up rock chip sampling around this site in July returned five samples ranging from **0.16% Sn** to **1.78% Sn** over a strike length of 50m. These results provide both an immediate drill-target and evidence of extensions of the mineralisation at surface.

The prime objective of this phase of drilling is to prove the existence of a near-surface tin resource that is amenable to open pit mining. Positive results from this program will provide information for a scoping study.



**FIGURE 1**

**ACHMMACH – LONG SECTION SHOWING SIGNIFICANT BRPM DRILLING INTERCEPTS (metres & % Sn)**

## 2.0 EL KARIT TIN PROJECT

### Project Overview

The El Karit Project represents a smaller, highly prospective tin exploration project in which Kasbah has an exclusive right to acquire a 100% interest. Tin mineralisation at El Karit comprises discrete zones along the western margin of the granite-sediment contact located within biotite schists and pods of muscovite-tourmaline bearing granite.

Five main zones of tin bearing quartz veining have been identified which, from south to north include Marsouin I, Marsouin II, Hirondelle I, El Karit and Hirondelle II.

**Phase 1**

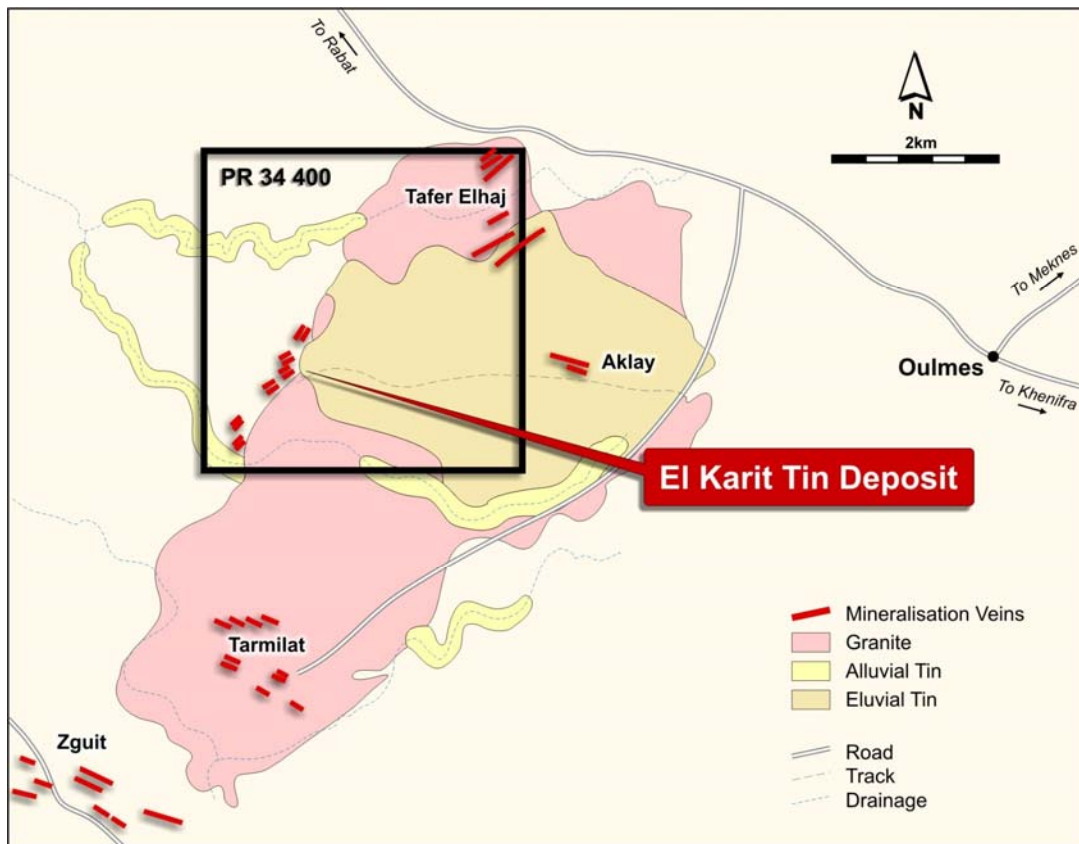
Most of the historic work undertaken by the BRPM has focussed on the hard rock, open pits of Hironnelle I and on Marsouin II. In order to expand the resource base these two locations together with El Karit proper, Hironnelle II and Marsouin I will be systematically drilled. Due to the simple geometry of the quartz veins, a program comprising 1,800m diamond drilling in 13 holes is planned to test the vein systems and structural corridors in each location. This information together with the available detailed surface mapping and an enhanced high resolution surface DTM will feed into a 3D geological model from which the precise volume of tin-bearing quartz can be calculated.

In order to gain better confidence in the average resource grade a bulk sampling program is proposed. This sampling program will entail trial mining on a small scale on the existing mine benches.

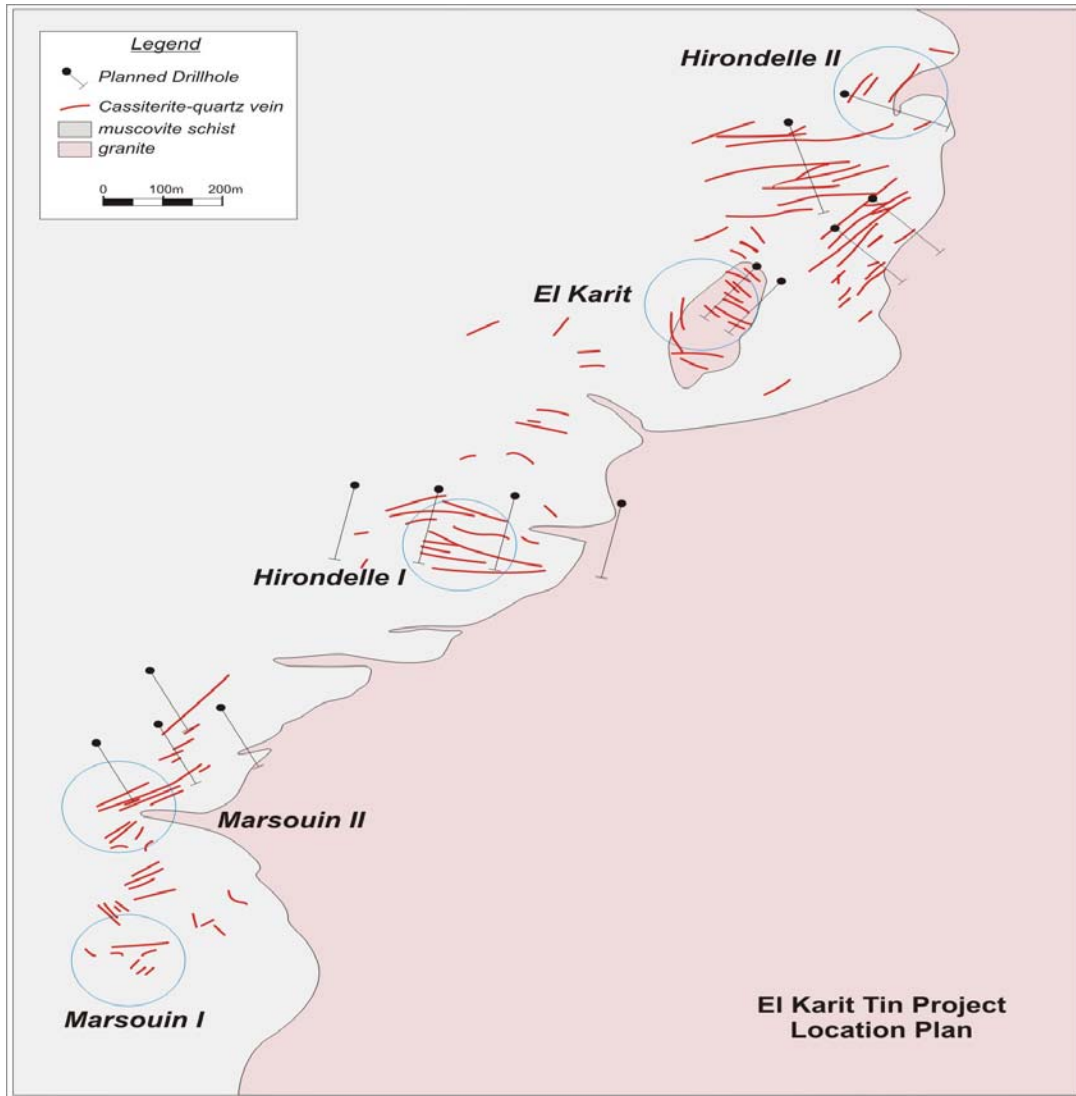
**Tafer Elhaj**

The alluvial tin potential of the Tafer Elhaj area will be assessed by a program of short vertical RC/percussion on a 25x25m grid. Approximately 2,550m in 630 holes averaging 4m in depth are proposed.

**FIGURE 2 - EL KARIT LOCATION PLAN**



**FIGURE 3 - EL KARIT DRILL TARGET PLAN**





Mr Bramwell said “The award of this contract and pending commencement of drilling at Achmmach and El Karit are significant milestones in Kasbah’s history and set the platform to execute the planned exploration and development programmes. Spectra’s equipment and personnel will mobilise immediately”.

For and on behalf of the Board,

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

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The information in this report is based on information compiled by Mr. Alf Gillman, a Fellow of Australian Institute of Mining and Metallurgy (CP Geol). Mr. Gillman 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. Gillman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.