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KASBAH ACQUIRES MOROCCAN GOLD DEPOSIT

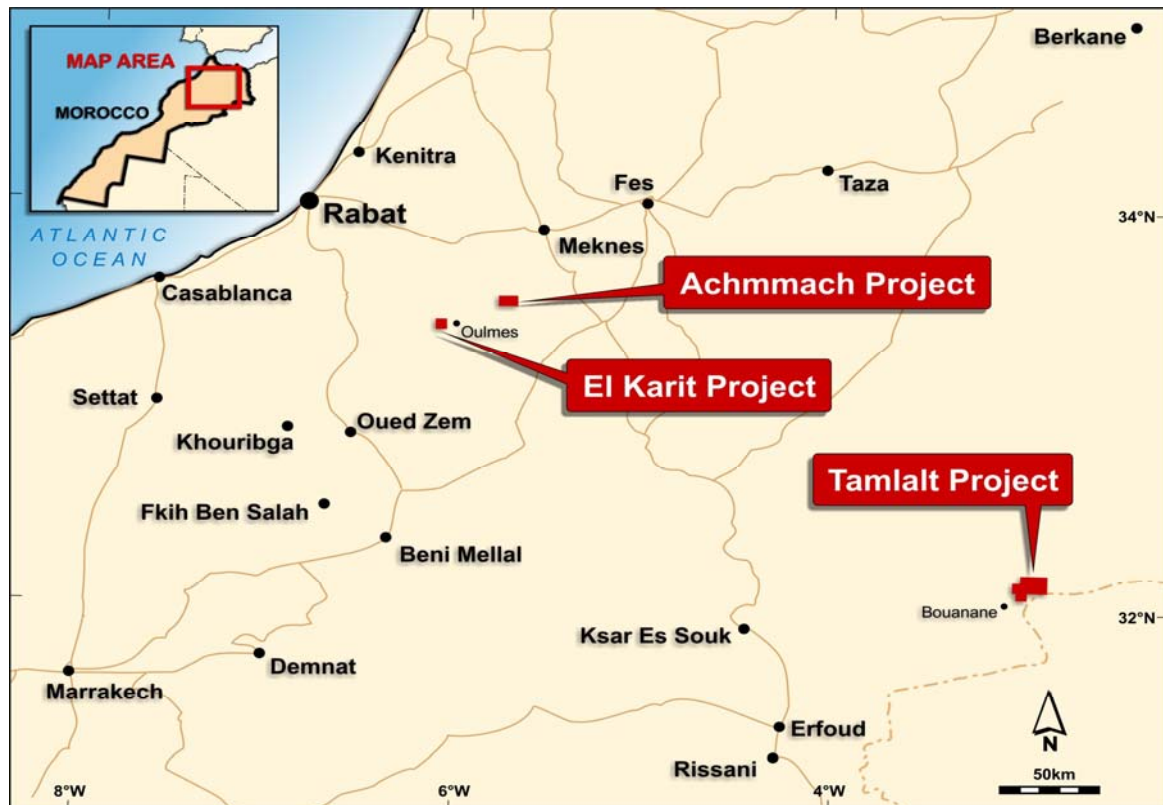
Key Points

- ❑ Kasbah wins International Tender for the Tamlalt Gold Deposit
- ❑ 100% acquisition of 8 Exploration Permits (128km²)
- ❑ Highly prospective and under explored gold province
- ❑ Significant diamond drill hole results including 9m @ 5.01g/t Au and 15m @ 2.64g/t Au

Kasbah Resources Limited (ASX: KAS) is pleased to announce that the company has acquired 100% of the Jbel Malek (Tamlalt) gold deposit in Eastern Morocco. The Office National des Hydrocarbures et des Mines, referred to hereafter as ONHYM (formerly BRPM), has awarded the Tamlalt deposit to Kasbah after evaluating international tenders.

On announcing the new acquisition Managing Director Wayne Bramwell said:

"The 100% acquisition of this highly prospective gold deposit provides another opportunity to add value to the company and leverage off our technical expertise. As set out in our recent prospectus, the strategy is to grow this company through development and acquisition. As such the Tamlalt Gold deposit provides Kasbah with a precious metal development opportunity in an area that is highly prospective and under explored."





Tamlalt Gold Deposit Overview

The Tamlalt gold deposit is located on the southern edge of the Tamlalt area (Figuig province); at the eastern end of the Moroccan High Atlas Mountains, about 300 km south of the town of Oujda. The Tamlalt gold deposit mining property is covered by eight exploration permits covering a total surface area of 128 km².

ONHYM has completed the following work on the Tamlalt gold deposit to date:

- Geological mapping at 1:10,000 covering 20 km²
- 529 alluvial geochemical samples
- A geological survey at 1:2,000 covering 2.1 km²
- Litho-geochemical sampling (6,395 samples)
- Topographical surveys at 1:10,000 and 1:2,000 (9 km²)
- Ground magnetic survey profiles (800 measurements)
- Remote sensing (POSAM: 450 measurements)
- 33 diamond drill holes totaling 7,019m

Diamond drilling to date by ONHYM, shows that the morphology of the Tamlalt deposit consists of a stacked lode system developed within a chlorite-sericite altered folded porphyritic body. Within the 400m of strike length that has so far been drill-tested, gold mineralization has been intersected to within 12m of the surface and to a maximum depth of 360m vertical from surface.

Table 1
List of Significant Results - Tamlalt

Hole ID	Easting	Northing	RL	Azimuth	Dip	From (m)	To (m)	Interval (m)	Grade Au (g/t)
JM01	852.2	514.2	893.0	327	-40	85	123	38	3.56
							inc.	1	81.80
JM03	819.9	664.0	893.5	202	-71	104	109	5	1.38
JM03						155	158	3	3.03
JM09	810.0	588.1	892.0	139	-65	32	41	9	5.01
							inc.	1	30.10
JM09						71	77	6	4.87
JM09						131	133	2	1.95
JM11	760.3	637.9	892.7	139	-65	103	107	4	1.85
JM10	760.0	588.0	893.3	142	-65	56	71	15	2.64
JM15	847.0	658.4	894.2	139	-65	67	72	5	3.86
JM18	847.0	620.3	892.7	139	-65	22	25	3	3.73
JM18						32	35	3	4.30
JM20	900.9	671.8	896.5	139	-65	164	167	3	20.80
							inc.	1	58.00
JM28	823.3	792.0	896.5	0	-90	361	363	2	33.90



Terms of Acquisition

The full consideration payable to ONHYM is 9,500,000 Moroccan Dirhams (approximately AUD\$1,395,600).

This consideration is paid in four tranches under the following schedule:

Payment	Payment Due	Moroccan Dirham's (MAD)	Approx AUD\$
1	On Signing	3,500,000	514,200
2	December 2008	2,000,000	293,800
3	December 2009	2,000,000	293,800
4	December 2010	2,000,000	293,800
Total Acquisition Price		9,500,000	1,395,600

All permits will be transferred to Kasbah 100% at completion of payment 1. This initial consideration payable on signing will be funded from existing working capital.

Mr Bramwell concluded:

"This is an exciting time for Kasbah. The acquisition of the Tamlalt Gold deposit is a low cost entry into highly prospective ground. The lateral and vertical extensions of the deposit remain open and require additional exploration drilling to define the full extent of the deposit.

The quality and quantity of work undertaken by ONHYM is first class and the Kasbah technical team is now building on this platform to develop a programme to unlock the full potential of this region.

The acquisition of Tamlalt is consistent with Kasbah's growth strategy as it adds to and diversifies our commodity exposure, complements our growing asset base and significantly increases our exploration opportunity and profile in Morocco."

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