



Cover Story



KASBAH RESOURCES ADVANCES TIN RESOURCE AT ACHMMACH TIN PROJECT IN MOROCCO WITH DRILL RESULTS REVEALING SIGNIFICANT INTERCEPTS

Kasbah's Phase 2 diamond drilling programme at the prospective, hard-rock Achmmach has produced wide intersections of high-grade tin, extending the Meknes zone mineralisation vertically and laterally.

The drilling has also intersected a new, distinct mineralised zone in the upper levels of drill holes, encouraging the company to commence its Phase 3 diamond drilling programme, a 6,000-metre job to further evaluate and define the expanding tin resource.

Kasbah retains the right to acquire a 100% interest in Achmmach, a 32-square-kilometre project, by completing a positive feasibility study. The Achmmach project is located approximately 140 kilometres south-east of the Moroccan capital, Rabat.

This tin province contains a wide zone of tin-bearing hard rock, extending for eight kilometres in a north-northeast direction, from Bou El Jai to Achmmach. Historic drilling has identified six main structures with a strike length of 2 kilometres.

The best Kasbah intercepts to date include: 13.6m @ 0.5% tin, 12.0m @ 1.2%, 46.3m @ 0.8%, 36.5m @ 0.8% and 6.9m @ 1.85% – including 0.5m @ 24.4% tin. Kasbah Managing Director Mr. Wayne Bramwell told the Australian Investor the company continues to find new tin targets on its prospects.

"Everyday we advance our knowledge of this project. Achmmach has the potential to be a very large project and we believe it is something special. It is early days in our evaluation but the project continues to produce very encouraging results.

"The last results are well above our expectations and support our view that this is a big, hsrd rock tin system " he said.

"In the next six to nine months we will continue testing and growing the known mineralisation proximate to the existing underground development, growing it laterally and vertically.

"The real focus now is to roll up our sleeves, pull all this information together and systematically drill out the resource to JORC standards. Our confidence in Achmmach is growing with every hole the company drills and our Moroccan exploration team continue to identify new tin targets," Mr. Bramwell explained.

Kasbah is building a Moroccan-focused exploration and mining company whose suite of assets include the Achmmach and El Karit tin projects in northern Morocco and the Tamlalt gold project in the eastern part of the country. Mr. Bramwell said the company is advancing the assets through exploration to feasibility studies in 2009.

He said Morocco continues to invest in infrastructure to take advantage of its Mediterranean location. "In the last 20 years Morocco has developed first-world ports,

roads and rail networks to increase trade with Europe. With respect to Achmmach, the local community is very supportive, we have access to mains electricity, access to artesian water, and the nearest town has a population of 600,000 and is about 40 kilometres away.

"Our immediate objective is to advance the existing prospect into a JORC resource" he said.

The price of tin is hovering around \$20,000 per tonne, nearly 2.5 times the price it was fetching at the end of 2007, and it was one of the last metals to see a surge in price in the current commodities boom.

"The outlook for this LME metal is still strong, as there remains no new large-scale new production in the world, Mr. Bramwell said.

"It is a unique metal," he continued. "Demand is going gangbusters now, driven by electronics industry applications. Fifty per cent of tin consumption is in the electronics sector; demand is rising and world supply remains tight.

"Increasing demand for tin in electronics started in 2002 / 2003 when the US Environmental Protection Agency banned lead solder, starting a shift to a greener alternative in tin-based solder. As tin is a non-toxic metal, it has replaced lead in many industrial applications," he said.

Outlining the key components of the project, Mr. Bramwell said, "This is a hard rock project and it has the potential to be big. There are no significant new generation tin projects on the global horizon and the tin market must find projects to support the metals growing demand.

"Morocco's proximity to European markets is a significant driver for the project company.

"Kasbah has built a beachhead here in Morocco; we are building a strong team with Australian and local Moroccan geologists, and the outlook for the metal and the sector remains strong," he said.

The company will continue releasing results as they are received from its Phase 3 diamond drilling programme, started in July.

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