



28 February 2012

Shreeshant Prabhakaran  
Advisor, Listings (Perth)  
ASX Compliance Pty Ltd  
Level 8 Exchange Plaza  
2 The Esplanade  
Perth WA 6000

By fax: 9221 2020

Dear Shreeshant,

**RE: PRICE AND VOLUME QUERY**

I refer to your letter dated 28 February 2012 in regards to the recent increase in share price and volume traded of the Company's securities. The Company responds as follows:

1. The Company is not aware of any information concerning it that has not been announced which if known could be an explanation for the recent price and volume increase in the securities of the company.
2. Not applicable.
3. The Company does note the following:
  - a. the Company has accelerated its drilling program at the Achmmach Tin Project and the rate of ASX releases is increasing;
  - b. recent broker research and Kasbah update notes have been issued by Hartley's, Ord Minnett, Intersuisse and Bell Potter;
  - c. a recent positive tin market note has been released by Diggers and Drillers; and
  - d. a new resource estimate for Achmmach is scheduled for release in March (as previously advised to the market).
4. The Company confirms that it is in compliance with the Listing Rules and in particular Listing Rule 3.1.

Should you require any further information please do not hesitate to contact the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Trevor O'Connor'.

**Trevor O'Connor**  
Company Secretary



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28 February 2012

Mr Trevor O'Connor  
Company Secretary  
Kasbah Resources Limited

*By email: [toconnor@kasbahresources.com](mailto:toconnor@kasbahresources.com)*

Dear Trevor

**Kasbah Resources Limited (the "Company")**

#### **PRICE AND VOLUME QUERY**

We have noted a change in the price of the Company's securities from a closing price of 19 cents on Friday, 24 February 2012 to an intra-day high of 26.5 cents today. We have also noted an increase in the volume of trading in the securities over the period.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office or by email.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 1:30pm (WST) today 28 February 2012.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please do not hesitate to contact me.

Yours sincerely

*[sent electronically without signature]*

Shreeshant Prabhakaran  
**Adviser, Listings (Perth)**