

15 April 2021



KASBAH TO RAISE \$3.3 MILLION

ABOUT KASBAH

Kasbah is an Australian unlisted mineral exploration and development company.

The company (75%) and its Joint Venture partners, Toyota Tsusho Corp (20%) and Nittetsu Mining Co. (5%), are advancing the Achmmach tin project towards production in the Kingdom of Morocco.

PROJECTS

Achmmach Tin Project
Bou El Jaj Tin Project

CAPITAL STRUCTURE

Shares on Issue: 303.7m
Performance Rights: 5.5m

MAJOR SHAREHOLDERS

Pala Investments 69.65%
African Lion Group 4.52%

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Kasbah Resources Limited (**Kasbah** or **the Company**) is pleased to announce a share placement of 22,000,000 fully paid ordinary shares at \$0.15 per share to Pala Investments Limited (**Pala**), to raise gross proceeds of \$3,300,000 (**Share Placement**).

The funds raised will be used to undertake further exploration and evaluation activities at the Achmmach tin project and other working capital purposes, as well as to repay the outstanding loan payable to Pala. Following repayment of the outstanding loan, the Company will no longer hold any debt.

Pala is a cornerstone investor in Kasbah. Following the exercise of its right to convert the convertible loan on 18 March 2021, Pala's shareholding in the Company increased to 211,506,539 shares, representing 69.65% of the Company's issued capital. Following completion of the Share Placement, Pala's shareholding will further increase to 233,506,539 shares representing 71.70% of the Company's expanded issued capital.

Completion of the Share Placement is subject to shareholder approval. A notice of meeting, including an independent expert's report evaluating the Share Placement, will be dispatched to shareholders in the coming weeks.

The Company would welcome existing or new investors to participate in the Share Placement at \$0.15 per share. If any person would like to participate, they may contact the Company on info@kasbahresources.com or +613 9482 2223 before 30 April 2021. Any additional funds raised from persons other than Pala will proportionately reduce Pala's subscription amount.

Commenting on the Share Placement, Executive Chairman, Mr Evan Spencer stated:

"We are pleased to secure the additional equity funding from our cornerstone shareholder which will enable the Company to continue its value optimisation and project development activities in Morocco. In addition, part of the proceeds raised will be used to repay the outstanding loan, de-leveraging and de-risking the Company."

The subscription price values the Company at almost \$50 million, which is more in line with the fundamental value of its underlying assets. We believe that further value could be unlocked through the various works both ongoing and planned in 2021, which would cement the Achmmach Tin Project as one of the most attractive tin projects in the world."

For and on behalf of the Board of Directors.

For further information, contact Pradeep Subramaniam, Company Secretary at +61 3 9482 2223 or info@kasbahresources.com.

Kasbah Resources Limited

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