



5 March 2013

ASX CODE: KAS

OUR PRIME COMMODITY IS  
TIN

LME TIN PRICE (01/03/13)

US\$23,040 / T  
(CASH BUYER)

#### ABOUT KASBAH

KASBAH IS AN AUSTRALIAN LISTED MINERAL EXPLORATION AND DEVELOPMENT COMPANY.

THE COMPANY IS ADVANCING THE ACHMMACH TIN PROJECT IN THE KINGDOM OF MOROCCO TOWARDS PRODUCTION.

#### PROJECTS

ACHMMACH TIN PROJECT

BOU EL JAJ TIN PROJECT

#### CAPITAL STRUCTURE

SHARES ON ISSUE:	396M
UNLISTED OPTIONS:	23.4M
CASH @ 31/12/12:	\$19.1M

#### MAJOR SHAREHOLDERS

WORLD BANK (IFC)	15.8%
AFRICAN LION GROUP	15.1%
TRANSAMINE	3.3%
TRAXYS	3.3%
MGMT & DIRECTORS	3.1%
THAISARCO	2.0%

#### CONTACT US

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ASX RELEASE

## ACHMMACH RESOURCE UPDATE DELIVERS THREEFOLD INCREASE IN MEASURED AND INDICATED METAL

#### HIGHLIGHTS

- Measured and Indicated contained tin increases from 42,000 tonnes to 126,700 tonnes
- Measured and Indicated tonnage increases from 5.3Mt to 14.7 Mt
- The March 2013 estimate has successfully delivered a 3.0 times increase in Measured and Indicated category contained tin and a 2.8 times increase in Measured and Indicated category tonnage compared to the 2012 mineral resource estimate
- Strong potential to increase mine life and improve project economics
- In-fill and extensional resource drilling continues with 5 rigs operational
- Next resource update due Q3 2013

Kasbah Managing Director Wayne Bramwell said;

“The significant uplift in contained tin and tonnage within the Measured and Indicated category is another milestone for Kasbah and is an outstanding result.

The conversion to the higher confidence Measured and Indicated categories, plus the better definition of high-grade tin mineralisation and a small component of Measured category tonnage is a testament to the efforts of the Kasbah geological team over the last year.

These results substantiate the continuity, grade and quality of the tin mineralisation at Achmmach and provide the platform to extend mine life.

These factors will have a potentially positive impact on project economics and a further increase in confidence from the next resource update due in Quarter 3 2013.”

ENDS

## OVERVIEW

Kasbah Resources Limited (“Kasbah”, ASX: KAS) is pleased to report an updated Mineral Resource estimate for the Achmmach Tin Project in Morocco. The **March 2013 Mineral Resource Estimate (refer Table 1)** has been prepared by independent consultant, Quantitative Group (“QG”) of Western Australia, in accordance with the 2012 edition of the JORC Code.

The objective of this phase of the resource development program at Achmmach has been to test the previous 2012 resource model and upgrade Inferred tonnage to the higher confidence Indicated category, as it is the Measured and Indicated tonnages that will underpin mine life.

**Kasbah has successfully achieved this objective with the March 2013 Mineral Resource estimate reporting a threefold increase in Measured and Indicated category contained tin and a near threefold increase in Measured and Indicated category tonnage.**

**Table 1: March 2013 Mineral Resource Estimate (undiluted)**

**Achmmach Tin Project @ 0.5% Sn cut off grade <sup>A</sup>**

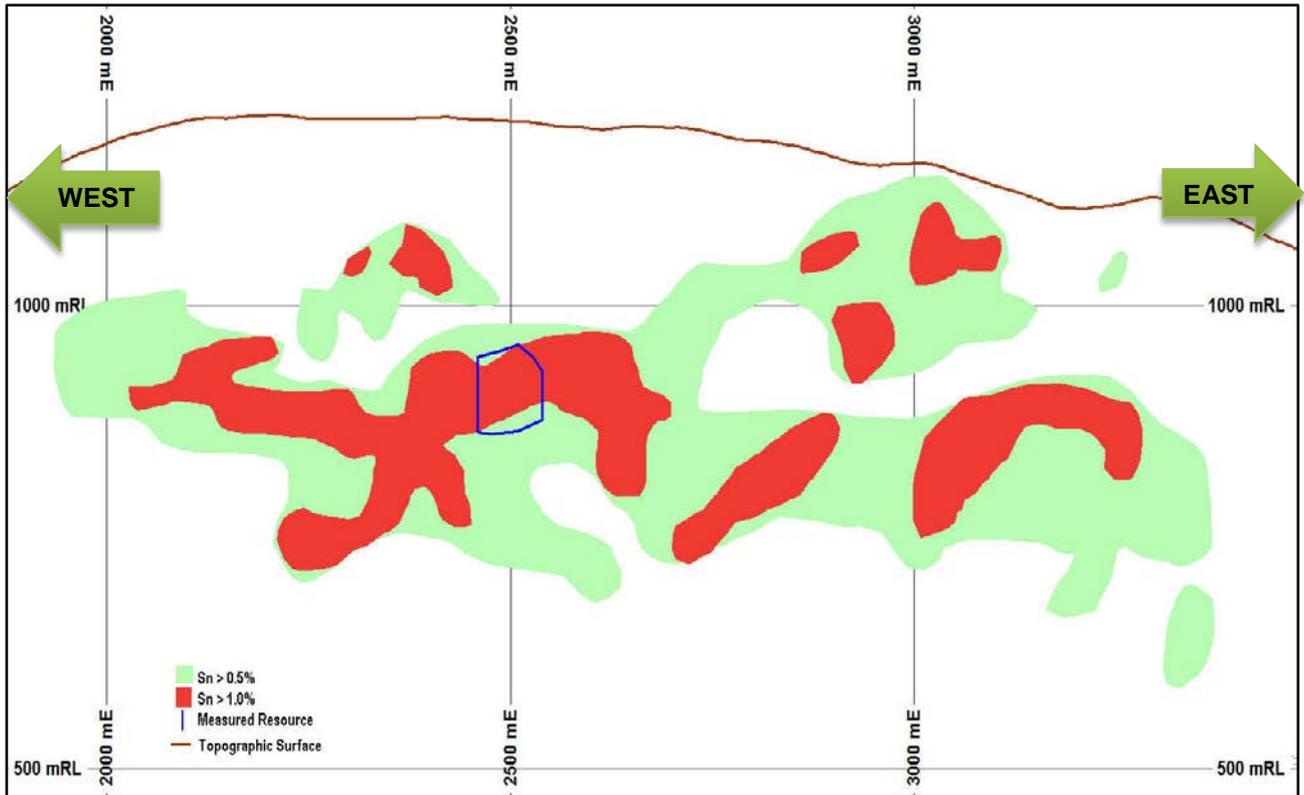
Category	M Tonnes	Sn %	Contained Tin (Kt)
Measured	0.5	1.20	6.0
Indicated	14.2	0.85	120.7
Inferred	0.6	0.70	4.2
<b>Total</b>	<b>15.3</b>	<b>0.85</b>	<b>130.1</b>

**The March 2013 Mineral Resource Estimate (Table 1)** has been undertaken using Ordinary Kriging (“OK”) and is classified according to the JORC (2012) Code.

Approximately 95,000m of drilling data was available for the March 2013 estimate. This incorporates 43,000m of new data from 100 new diamond drill holes from the previous estimate to January 2013. The new drilling is on 40m spaced cross-sections and has successfully upgraded Inferred resources across the 1.6 km Achmmach deposit to the higher confidence Indicated category.

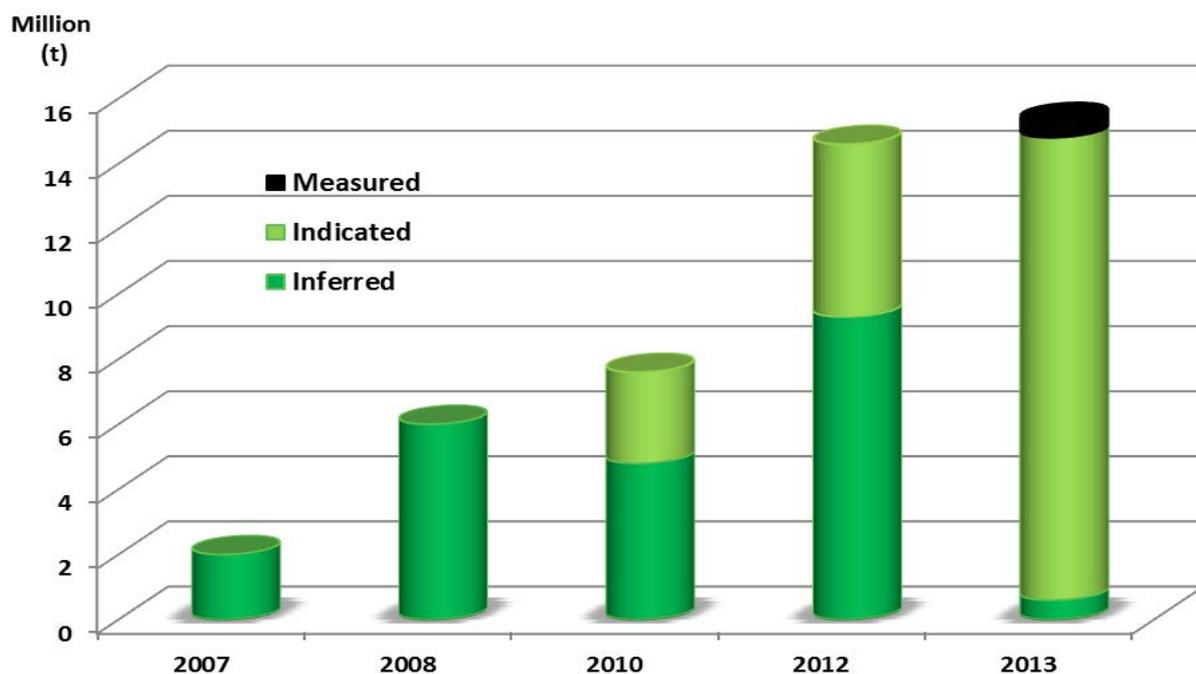
The March 2013 estimate has included three 20m spaced cross-sections that have defined a component of Measured tonnage, which coincides with the high-grade core of the deposit around 2500mE. Further 20m spaced drilling is currently underway.

The longitudinal section of the deposit (**refer Figure 1**) **now** defines the high-grade mineralisation in more detail which will better guide future mine planning. **It should be noted that in many areas the deposit is open at depth and along strike.**



**Figure 1: Simplified E-W Long section of March 2013 Achmmach Resource Model (Resource envelopes and Measured Mineral Resource location depicted)**

Resource development at Achmmach has progressed in a systematic manner since 2007 with the latest mineral resource estimate showing a strong shift towards the higher level categories of Mineral Resource definition (refer Figure 2).



**Figure 2: Change in Mineral Resource Classification at Achmmach since 2007**

## KEY POINTS – Comparison to Previous Mineral Resource Estimates

The Achmmach tin deposit has an interpreted strike length of approximately 2 km and has been the prime focus of Kasbah’s drilling at Achmmach to date. Approximately 1.6 km of the Achmmach deposit was modelled in previous March 2012 Mineral Resource Estimate (**refer Table 2**) and this resource model was based on 80m spaced drill sections across the Achmmach deposit.

Table 2: March 2012 Mineral Resource Estimate Achmmach Tin Project (@ 0.5% Sn cut off grade)			
Category	M Tonnes	Sn %	Contained Tin (Kt)
Indicated	5.3	0.8	42
Inferred	9.3	1.0	93
<b>Total</b>	<b>14.6</b>	<b>0.9</b>	<b>135</b>

## LOOKING FORWARD

The current drilling at Achmmach is aimed at increasing:

1. the Measured component of the resource and the total resource tonnage; and
2. further defining the high-grade core of the deposit.

As such five diamond rigs continue to be employed in the ongoing resource development program and are focused on:

- 20m spaced in-fill drill sections (between 2270mE and 2670mE);
- 40m spaced in-fill and extensional drilling across the Eastern Zone (on sections 3330mE to 3410mE); and
- Close spaced drilling of the Eastern Zone Shallow (“Ezs”) mineralisation centred on 3050mE.

All in-fill and extensional drilling across Achmmach will be complete mid-year with a further resource upgrade at Achmmach expected to be reported in Quarter 3, 2013. The DFS is on track for a Q4 2013 completion.



**Wayne Bramwell**  
Managing Director

For further information please visit:

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## ABOUT KASBAH

Kasbah Resources Limited (“Kasbah”, ASX: KAS) is rapidly advancing its 100% owned Achmmach Tin Project located in the Kingdom of Morocco. The definitive feasibility study (“DFS”) into the development of a 1Mtpa underground mine, concentrator and associated infrastructure is due for completion in Q4 2013, and Kasbah is targeting first tin production in 2015.

Toyota Tsusho Corporation (“TTC”) of Japan is Kasbah’s development partner in Achmmach. TTC has a right to acquire a 20% interest in the Achmmach Tin Project, having earned a nominal interest of 18.8% to date by paying \$16 million in cash to Kasbah in 2012. TTC is required to make a final payment to Kasbah within 90 days of completion of the DFS to earn its 20% interest.

## Competent Persons’ Statements

*The information in this announcement that relates to Kasbah Resources Limited’s March 2013 Mineral Resource estimate for the Achmmach Tin Project is based on information compiled by Michael Job, who is a full time employee of Quantitative Group Pty Ltd. and a Fellow of the Australasian Institute of Mining and Metallurgy. Michael Job 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 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves” (JORC Code). Michael Job verifies that this Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in the supporting documentation relating to Mineral Resources.*

*The information in this announcement which relates to the March 2012 Mineral Resources is based on information compiled by Michael V. McKeown who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr McKeown is employed by Mining One Pty Ltd and he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr McKeown consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

***<sup>A</sup>The tin grade has been rounded to the nearest 0.05% Sn. The 0.5% Sn cut-off is based upon a tin price of US\$23,150/tonne and a total estimated operating cost of US\$103/tonne of ore (approximately US\$15,000 / tonne of tin in concentrate), based upon the company’s projected annualised mining and processing of 1 million tonnes.***

***Bulk density mean value used was 2.89 t/m<sup>3</sup>.***