

May 28, 2009

SNAPSHOT

Kasbah Resources Limited
19 Hardy Street
South Perth
WA Australia
Tel: (+61) 8 9463 6651
Fax: (+61) 8 9463 6652

ASX Code: KAS

Investment Data

Shares on Issue 88.5M
High / Low (52 week)
\$0.24 / \$0.03

Board & Management

Graeme Walker
Non Executive Chairman

Wayne Bramwell
Managing Director

Peter Hepburn Brown
Non Executive Director

Rod Marston
Non Executive Director

Rob Weinberg
Non Executive Director

Peter Youd
Chief Financial Officer /
Company Secretary

Jeffrey Lindhorst
Exploration Manager

Shareholders

Top 20 Hold 66.6 %

Cash Reserves

Cash Balance (31/3/09) \$3.9M

Projects - Morocco

- Achmmach Tin Project
- Tamlalt Gold Project
- El Karit Tin Project

For further information email
info@kasbahresources.com

Or visit our website

www.kasbahresources.com

**KASBAH ANNOUNCES ENTITLEMENT
ISSUE TO RAISE A\$2.655M**

HIGHLIGHTS

- 1:1 rights issue at 3 cents per share to raise A\$2.655m.**
- Rights issue available to all registered holders of Kasbah shares as at the Record Date, being 10 June 2009**
- Proceeds to be used to fund Kasbah's ongoing project development at the Achmmach Tin Project in Morocco.**

THE OFFER

Kasbah Resources Limited (Kasbah) is pleased to announce a 1:1 non-renounceable rights issue to Shareholders to raise approximately \$2.655m through the issue of approximately 88,500,000 new fully paid ordinary shares in Kasbah at an issue price of 3 cents per ordinary share.

The rights issue will provide Shareholders with the opportunity to increase their investment in Kasbah at an attractive price. Funds raised will be used to advance the Achmmach Tin Project to a point where mine planning studies can commence.

USE OF FUNDS

The purpose of the proposed rights issue is to fund the Meknes Zone Indicated (MZI) drilling programme.

The Meknes Zone Indicated drill hole programme aims to define spatial continuity of the Meknes Zone mineralisation and collect sufficient data for the estimation of a JORC indicated resource in the range of 1 to 2 MT from within the existing JORC Inferred Resource of 6Mt @ 0.9% Sn**.

Systematic drilling will focus on a 400 metre zone along strike from the mineralisation defined by BRPM in the underground workings (structures B and C) on the 3714525mN section from 243000mE to 243400mE extending from the 950mRL to the 800mRL.

To achieve this 15,000m of diamond drilling on a nominal 50m x 50m grid is planned from 37 surface holes over 9 sections. Total estimated cost for the MZI Programme is **\$3.4M**.

ELIGIBILITY AND INDICATIVE TIMETABLE

Shareholders who are registered as at 5:00pm (ACDT) on 10 June 2009 (the "Record Date") will be given the opportunity to subscribe for shares pursuant to the issue. Please note that Kasbah shares will be quoted on an "ex" basis from 3 June 2009, and therefore any Kasbah shares bought or sold on market on or after this date will not carry entitlements under the Rights Issue.

Lodgement of Prospectus with the ASIC	28 May 2009
Notice sent to Shareholders	2 June 2009
Ex Date (the last day for trading on the ASX for a Shareholder to be entitled to participate in the Offer)	3 June 2009
Record Date for determining Shareholder entitlements	10 June 2009
Prospectus despatched to Shareholders	12 June 2009
Closing Date of Offer	26 June 2009
Shares quoted on a deferred settlement basis	29 June 2009
Notify the ASX of under-subscriptions	1 July 2009
Despatch date/Shares entered into Shareholders' security holdings	6 July 2009

* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

Kasbah is systematically evaluating the Achmmach Tin Project and the MZI Programme is the next step in our progress towards a development decision. Achmmach is now beginning to be internationally recognised as amongst one of the most significant new tin projects in development and Kasbah appreciates its Shareholders' support in the Company's progress towards the next critical milestone in the development plan.

For and on behalf of the Board,



Wayne Bramwell
Managing Director

For further details contact:

Wayne Bramwell
Managing Director

Phone: +61 8 9463 6651
info@kasbahresources.com

Peter Youd
Chief Financial Officer

Phone: +61 8 9463 6651
info@kasbahresources.com

** The information on the Achmmach Mineral Resource contained in this release is based on data compiled by Dr S Carras of Carras Mining Pty Ltd, a Fellow of the Australasian Institute of Mining and Metallurgy who has been involved in resource estimation for over 30 years. Dr Carras has experience which is relevant to the style of mineralisation and type of deposit under consideration and in the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and consents to the inclusion of the information in the form and context in which it appears.