ASX RELEASE

11 January 2012

ASX Code: KAS

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LME TIN PRICE (10/01/12)

US$20,025 / T
(Cash buyer)

PROJECTS

Achmmach Tin Project
Bou El Jaj Tin Project

INVESTMENT DATA

Shares on Issue 364M

ABOUT KASBAH

Kasbah Resources is an Australian listed mineral exploration and development company advancing the Achmmach Tin Project towards production.

Our prime commodity is Tin.

ACHMMACH DRILLING UPDATE

AD115 - 38.0m @ 1.63% Sn

HIGHLIGHTS

- 5 diamond drill rigs currently operational at Achmmach.
- Gap Zone Section 2530mE completed with drill holes AD114, AD115, AD118 and AD105 (previously reported)

  AD115 returned:

  - 7.0m @ 1.77% Sn from 215m, and
  - **38.0m @ 1.63% Sn from 287m.**

  AD118 returned:

  - 7.0m @ 0.61% Sn from 300m, and
  - 9.0m @ 0.65% Sn from 341m.
- AD112 tests Meknes trend along 105 magnetic azimuth

  AD112 returned:

  - 29.0m @ 0.72% Sn from 330m; and
  - 43.0m @ 2.01% Sn from 380m.
- The high grade intersection in AD112 from 380m confirms the high grade mineralisation of 14.2m @ 3.17% Sn from 318.8m in drill hole AD100 (previously reported).
- Assays pending from drill holes AD119, AD120, AD121, AD122, AD123 and AD124.

OVERVIEW

Kasbah Resources Limited ("Kasbah") is pleased to announce the latest exploration drilling results from the Company's Achmmach Tin Project in Morocco.

The Gap Zone is a significant Exploration Target which could link the Meknes/Fez and Eastern Zones' tin mineralisation previously defined by the 2010 Resource model. It is being systematically drilled on 80m sections with drill holes AD114, AD115 and AD118 (along with previously drilled AD105) completing Section 2530mE.

Section 2530mE is the second step out section completed in the Gap Zone. It is located 80m east of the previously reported section 2450mE and approximately 160m east of the 2010 Meknes Resource (refer Figure 1). This section comprises 4 diamond drill holes (for approximately 2030 metres) designed to drill test the Meknes Trend mineralisation. Mineralisation remains open and follow up drilling is planned.

Drill hole AD112 is the first of a number of drill holes planned along a 105 magnetic azimuth which is oblique to the Meknes Trend mineralisation (trending 070) and approximately perpendicular to bedding and interpreted structures striking N-S (020). These holes test the continuity of tin mineralisation in a direction oblique to and within the 070 trending Meknes Trend mineralisation and N-S structures which may either offset the 070 trending Meknes mineralisation or localise high grade tin shoots.

The tourmaline altered, tin mineralised intrusive previously defined on section 2450mE shows good continuity on section and between the sections reported (and more generally through the entire Gap Zone). This provides indication that the mineralisation has not been significantly structurally disrupted post mineralisation, as the intrusive pre-dates the mineralising event.

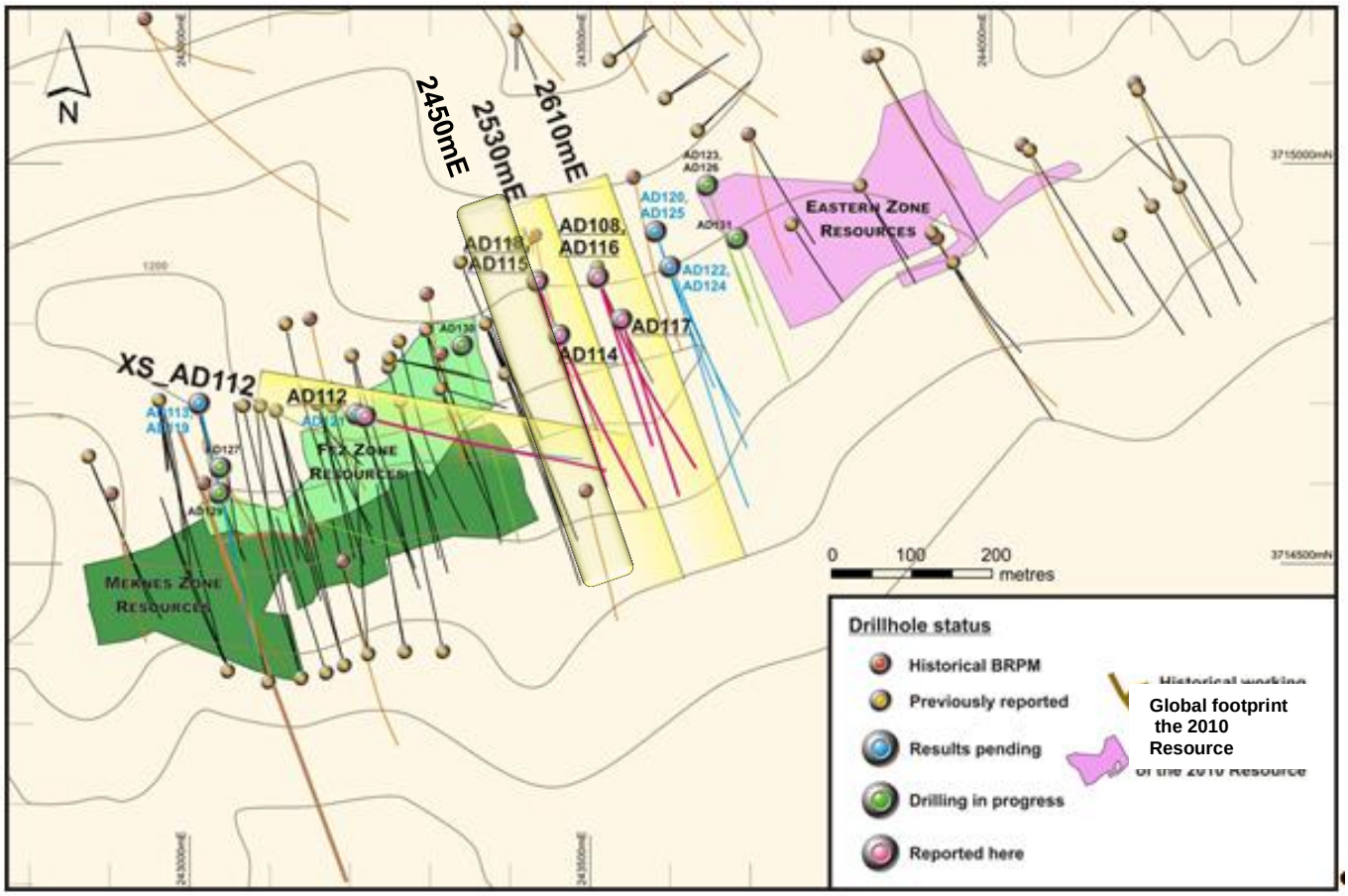

Figure 1

Achmmach Drill Plan

Key Points - Mineralised Intersections

Section 2530mE (Gap Zone)

Drill results from section 2530mE conform with the general character and style of mineralisation progressively defined by drilling to date within the Meknes Zone. This drilling passes through mineralisation and alteration with a dip length in excess of 150m (refer Figure 2).

- **AD114**

  AD114 tests the mineralisation up dip from mineralisation intersected in AD115. It passed through a broad zone of variable intensity tourmaline alteration with zones of tin mineralisation returning grades of 0.3% to 0.5% Sn. The upper zone is interpreted as part of the Meknes Zone and correlates with the zone of alteration and mineralisation on section 2450mE. The relationship between the lower zones in AD114 and other drill holes on this section and adjacent sections is being assessed.

AD114 returned:

- 11.0m @ 0.49% Sn from 314m;
- 20.0m @ 0.34% Sn from 435m; and
- 21.0m @ 0.40% Sn from 484m.

- **AD115**

AD115 is drilled 50m up dip of previously reported drill hole AD105 (testing the main position of mineralisation in the Meknes Zone) and has intersected the mineralisation in its predicted location. The intersection adjacent to the intrusive of 38m @ 1.63% Sn from 287m is in a similar position to the AD100 Meknes Zone intersection of 26.7m @ 1.32% Sn from 273.7m, 80m to the west on section 2450mE.

AD115 returned:

- 7.0m @ 1.77% Sn from 215m;
- 8.0m @ 0.40% Sn from 271m;
- 38.0m @ 1.63% Sn from 287m;
- 6.0m @ 0.45% Sn from 396m; and
- 9.0m @ 0.65% Sn from 462m.

- **AD118**

AD118 tests mineralised structures about 60m down dip from AD105. It intersected a broad zone of alteration and tin mineralisation from 300 metres down hole returning grades of 0.4% to 0.6% Sn. The intersection of 9.0m @ 0.65% Sn from 341m is interpreted as part of the Meknes Zone extending down dip from AD105 on this section.

AD118 returned:

- 7.0m @ 0.61% Sn from 300m;
- 10.0m @ 0.37% Sn from 314m;
- 9.0m @ 0.65% Sn from 341m;
- 16.0m @ 0.44% Sn from 392m; and
- 6.0m @ 0.39% Sn from 475m.

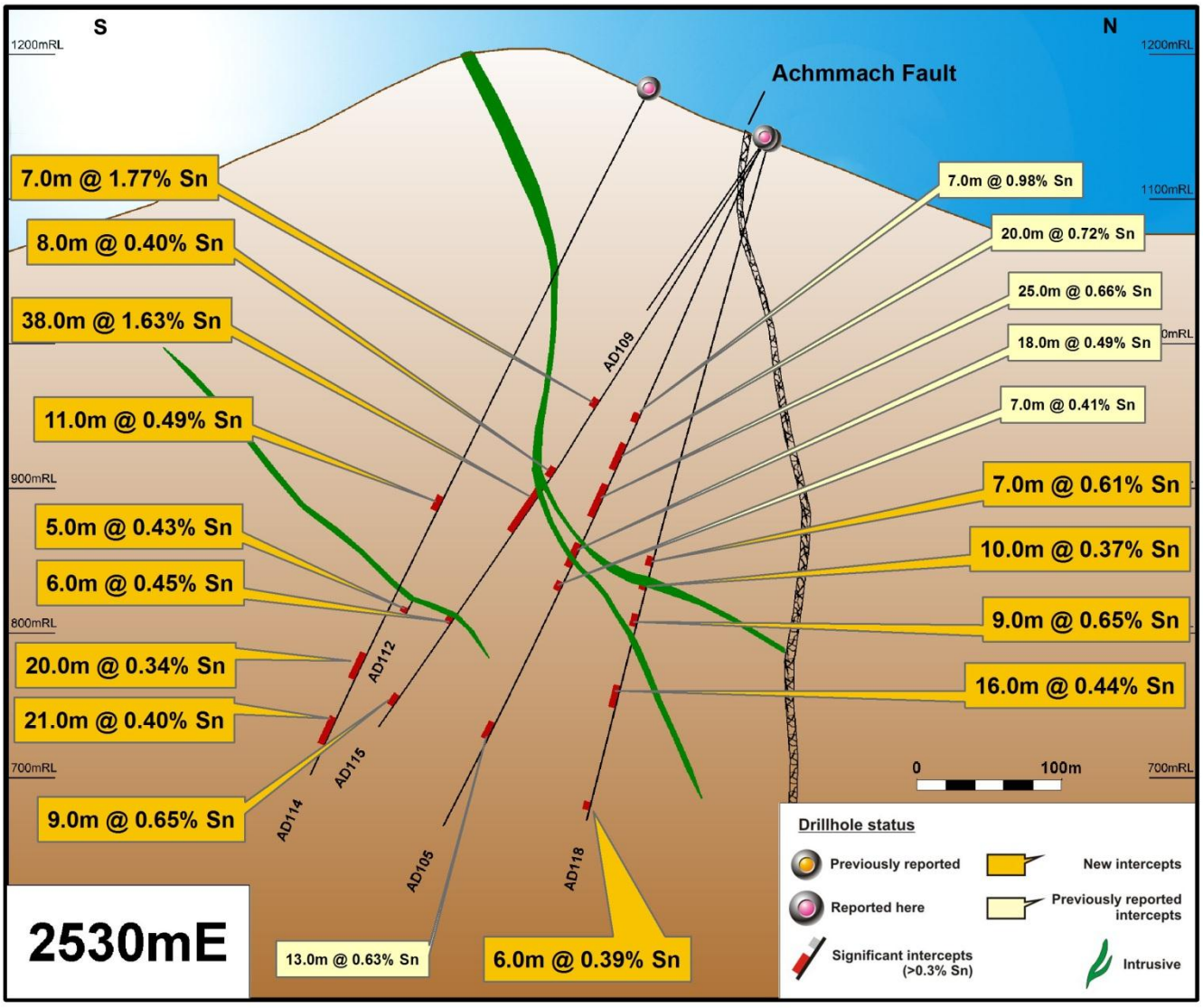

Figure 2

Cross Section 2530mE (looking west)

Section XS AD112

AD112 is the first hole completed in a program to test the continuity of mineralisation in a direction oblique to and within the 070 trending Meknes Trend mineralisation and N-S structures which may either offset the 070 trending Meknes mineralisation or localise high grade shoots in the Meknes Zone (Figures 1 & 3).

The AD112 intersection of 43m at 2.01% Sn from 380m down hole shows that the high grade in AD100 is unlikely to be contained within an N-S trending structure similar to the azimuth of AD100 but is most likely conforming to the usual E-W trend to the Meknes mineralisation. AD112 confirms the high grade intercept previously drilled on section 2450mE (AD100 - 14.2m @ 3.17% Sn from 318.8m) and the estimated true thickness is likely to be in the range of 12m to 18m (similar to the AD100 intersection in this zone).

AD112 points to the possibility of the high grade zone having a dip extent of 40-60m and that its interpreted position between existing drill holes both to the East and West is untested for up to 80m along strike in each direction.

AD112 returned:

- 8.0m @ 0.57% Sn from 154m;
- 29.0m @ 0.72% Sn from 330m,
- 7.0m @ 0.65% Sn from 363m;
- 43.0m @ 2.01% Sn from 380m;
- 6.0m @ 0.61% Sn from 427m; and
- 5.0m @ 0.43% Sn from 482m.

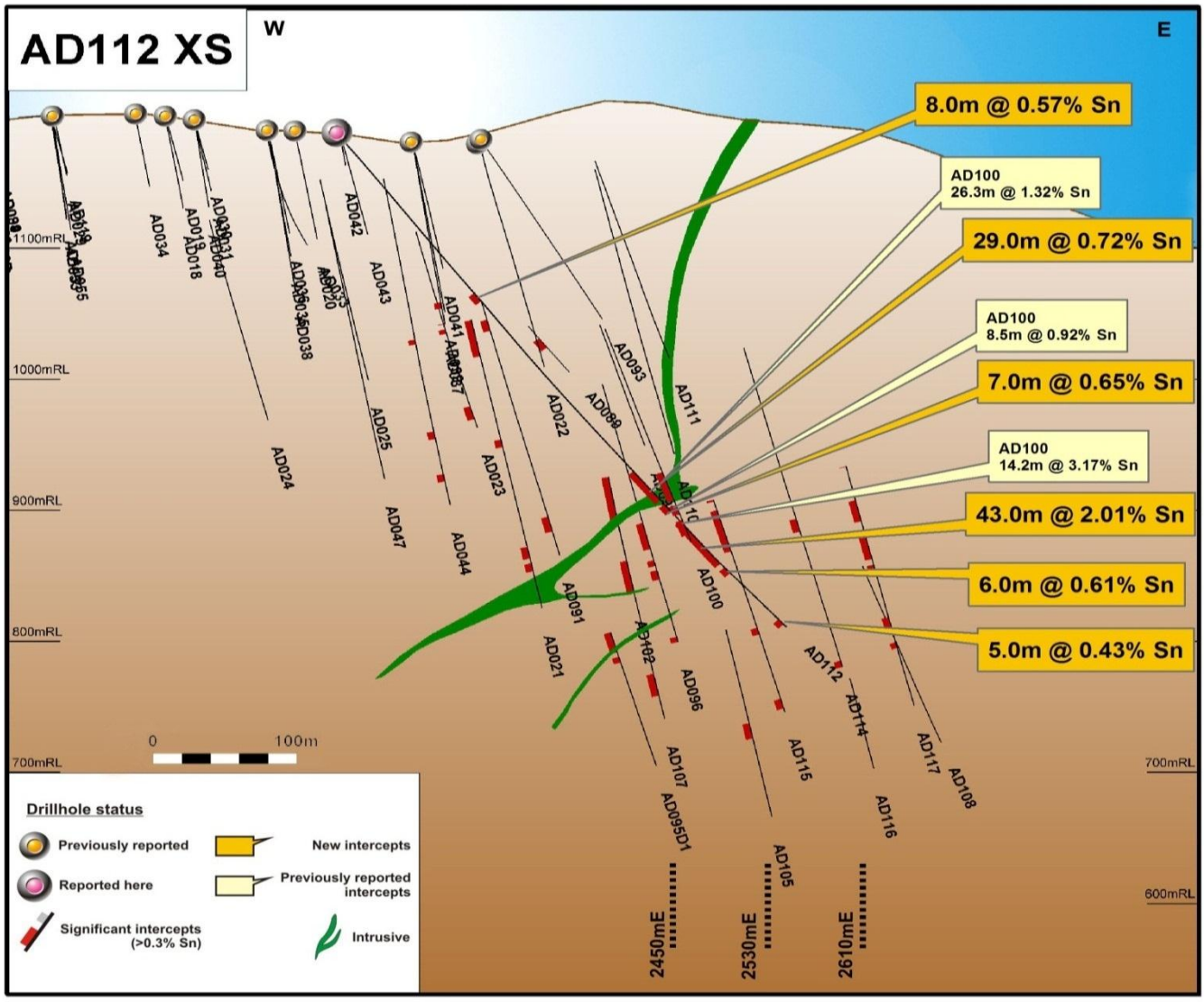

Figure 3

Cross Section XS AD112 (looking north)

Infill and extensional drilling of the Meknes, Fez and Gap Zones continues with 5 diamond drill rigs operational.

Wayne Bramwell

Managing Director

For further information please go to: www.kasbahresources.com

Or email: info@kasbahresources.com

Achmmach Tin Project - August 2010 Resource			
Category	**M Tonnes**	**Sn %**	**Contained Tin (k tonnes)**
Indicated	2.2	0.8	17
Inferred	4.8	0.8	37
Total	**7.0**	**0.8**	**54**

The information in this report is based on information compiled by Mr Chris Bolger, a Member of the Australasian Institute of Mining and Metallurgy. Mr Bolger is a full-time employee of Kasbah Resources Limited and 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bolger consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to Kasbah Resources Limited's mineral resource estimates for the Achmmach Project is based on information compiled by Michael Job, who is a full time employee of Quantitative Group and a Member 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 2004 JORC code. Michael Job consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

APPENDIX A: Meknes Zone Drilling Drill-Hole Details

Hole ID	Collar UTM 30N WGS84 N	Collar UTM 30N WGS84 E	RL (m)	Azimuth	Dip	Depth
AD112	3714691	243210	1186	105	-50	490.1
AD114	3714785	243467	1174	160	-61	527.3
AD115	3714859	243428	1141	160	-55	488
AD118	3714860	243427	1141	160	-73.5	488

APPENDIX B: Meknes Zone Drilling Significant Intersections

Hole ID	Collar UTM 30N WGS84 N	Collar UTM 30N WGS84 E	From (m)	To (m)	Down-hole interval (m)	Tin Grade[B] Sn %
AD112	3714691	243210	154	162	8.0	0.57
			330	**359**	**29.0**	**0.72**
			363	370	7.0	0.65
			380	**423**	**43.0**	**2.01**
			427	433	6.0	0.61
			482	487	5.0	0.43
AD114	3714785	243467	314	325	11.0	0.49
			435	455	20.0	0.34
			484	505	21.0	0.40
AD115	**3714859**	**243428**	**215**	**222**	**7.0**	**1.77**
			271	279	8.0	0.40
			287	**325**	**38.0**	**1.63**
			396	402	6.0	0.45
			462	471	9.0	0.65
AD118	3714860	243427	300	307	7.0	0.61
			314	324	10.0	0.37
			341	350	9.0	0.65
			392	408	16.0	0.44
			475	481	6.0	0.39
All Assays for Intervals reported below						

Significant intersections >100m below natural surface selection criteria:
≥ 0.3%Sn and ≥ 5m down-hole and ≤ 3m down-hole < 0.3%Sn included OR
≥ 0.3%Sn and ≥ 1.5 %Tin-metres metal accumulation down-hole and ≤ 3m down-hole < 0.3%Sn included
[B] grades adjusted for recovery

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD112	154	155	1	0.36
AD112	155	156	1	1.39
AD112	156	157	1	0.38
AD112	157	158	1	0.67
AD112	158	159	1	0.49
AD112	159	160	1	0.77
AD112	160	161	1	0.13
AD112	161	162	1	0.42
AD112	330	331	1	0.34

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD112	331	332	1	0.40
AD112	332	333	1	0.19
AD112	333	334	1	0.86
AD112	334	335	1	1.16
AD112	335	336	1	0.32
AD112	336	337	1	0.18
AD112	337	338	1	1.51
AD112	338	339	1	1.16
AD112	339	340	1	0.32
AD112	340	341	1	0.25
AD112	341	342	1	0.33
AD112	342	343	1	0.96
AD112	343	344	1	0.35
AD112	344	345	1	0.38
AD112	345	346	1	0.50
AD112	346	347	1	2.42
AD112	347	348	1	1.27
AD112	348	349	1	0.72
AD112	349	350	1	0.84
AD112	350	351	1	0.48
AD112	351	352	1	0.82
AD112	352	353	1	1.65
AD112	353	354	1	0.97
AD112	354	355	1	0.13
AD112	355	356	1	1.60
AD112	356	357	1	0.29
AD112	357	358	1	0.21
AD112	358	359	1	0.34
AD112	363	364	1	0.82
AD112	364	365	1	0.24
AD112	365	366	1	0.64
AD112	366	367	1	1.49
AD112	367	368	1	0.53
AD112	368	369	1	0.48
AD112	369	370	1	0.42
AD112	380	381	1	0.96
AD112	381	382	1	0.57
AD112	382	383	1	5.87
AD112	383	384	1	3.15
AD112	384	385	1	1.19
AD112	385	386	1	2.51

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD112	386	387	1	1.47
AD112	387	388	1	1.95
AD112	388	389	1	0.75
AD112	389	390	1	5.42
AD112	390	391	1	3.38
AD112	391	392	1	4.75
AD112	392	393	1	1.57
AD112	393	394	1	1.28
AD112	394	395	1	1.47
AD112	395	396	1	1.69
AD112	396	397	1	1.20
AD112	397	398	1	3.21
AD112	398	399	1	5.90
AD112	399	400	1	2.06
AD112	400	401	1	2.71
AD112	401	402	1	2.23
AD112	402	403	1	3.41
AD112	403	404	1	3.05
AD112	404	405	1	1.68
AD112	405	406	1	3.48
AD112	406	407	1	1.69
AD112	407	408	1	1.83
AD112	408	409	1	1.44
AD112	409	410	1	1.16
AD112	410	411	1	0.52
AD112	411	412	1	1.69
AD112	412	413	1	1.31
AD112	413	414	1	0.97
AD112	414	415	1	0.97
AD112	415	416	1	0.77
AD112	416	417	1	1.02
AD112	417	418	1	0.26
AD112	418	419	1	3.01
AD112	419	420	1	0.66
AD112	420	421	1	0.67
AD112	421	422	1	0.80
AD112	422	423	1	0.94
AD112	427	428	1	0.59
AD112	428	429	1	1.03
AD112	429	430	1	0.28
AD112	430	431	1	0.69

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD112	431	432	1	0.45
AD112	432	433	1	0.62
AD112	482	483	1	0.39
AD112	483	484	1	0.20
AD112	484	485	1	0.51
AD112	485	486	1	0.47
AD112	486	487	1	0.56
AD114	314	315	1	0.40
AD114	315	316	1	0.09
AD114	316	317	1	0.30
AD114	317	318	1	0.47
AD114	318	319	1	1.14
AD114	319	320	1	0.98
AD114	320	321	1	1.00
AD114	321	322	1	0.10
AD114	322	323	1	0.06
AD114	323	324	1	0.21
AD114	324	325	1	0.61
AD114	435	436	1	0.59
AD114	436	437	1	0.61
AD114	437	438	1	0.75
AD114	438	439	1	0.21
AD114	439	440	1	1.07
AD114	440	441	1	0.20
AD114	441	442	1	0.03
AD114	442	443	1	0.63
AD114	443	444	1	0.38
AD114	444	445	1	0.10
AD114	445	446	1	0.26
AD114	446	447	1	0.06
AD114	447	448	1	0.35
AD114	448	449	1	0.11
AD114	449	450	1	0.08
AD114	450	451	1	0.31
AD114	451	452	1	0.07
AD114	452	453	1	0.20
AD114	453	454	1	0.30
AD114	454	455	1	0.44
AD114	484	485	1	0.32
AD114	485	486	1	0.20
AD114	486	487	1	0.00

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD114	487	488	1	0.05
AD114	488	489	1	0.35
AD114	489	490	1	0.83
AD114	490	491	1	0.08
AD114	491	492	1	0.35
AD114	492	493	1	0.66
AD114	493	494	1	1.04
AD114	494	495	1	0.65
AD114	495	496	1	0.23
AD114	496	497	1	0.48
AD114	497	498	1	0.48
AD114	498	499	1	0.17
AD114	499	500	1	0.28
AD114	500	501	1	0.21
AD114	501	502	1	0.23
AD114	502	503	1	0.64
AD114	503	504	1	0.38
AD114	504	505	1	0.69
AD115	215	216	1	1.72
AD115	216	217	1	2.59
AD115	217	218	1	0.11
AD115	218	219	1	0.03
AD115	219	220	1	0.13
AD115	220	221	1	2.24
AD115	221	222	1	5.61
AD115	271	272	1	0.54
AD115	272	273	1	0.21
AD115	273	274	1	0.19
AD115	274	275	1	0.17
AD115	275	276	1	0.41
AD115	276	277	1	0.38
AD115	277	278	1	0.45
AD115	278	279	1	0.95
AD115	287	288	1	0.91
AD115	288	289	1	6.27
AD115	289	290	1	3.41
AD115	290	291	1	5.03
AD115	291	292	1	6.83
AD115	292	293	1	7.90
AD115	293	294	1	2.31
AD115	294	295	1	1.82

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD115	295	296	1	1.63
AD115	296	297	1	2.25
AD115	297	298	1	0.90
AD115	298	299	1	0.34
AD115	299	300	1	0.84
AD115	300	301	1	0.61
AD115	301	302	1	0.68
AD115	302	303	1	0.45
AD115	303	304	1	0.54
AD115	304	305	1	0.89
AD115	305	306	1	0.54
AD115	306	307	1	0.57
AD115	307	308	1	0.37
AD115	308	309	1	0.70
AD115	309	310	1	1.06
AD115	310	311	1	0.72
AD115	311	312	1	0.44
AD115	312	313	1	0.50
AD115	313	314	1	3.80
AD115	314	315	1	1.75
AD115	315	316	1	1.05
AD115	316	317	1	0.44
AD115	317	318	1	0.57
AD115	318	319	1	0.95
AD115	319	320	1	3.05
AD115	320	321	1	0.39
AD115	321	322	1	0.37
AD115	322	323	1	0.42
AD115	323	324	1	0.14
AD115	324	325	1	0.56
AD115	396	397	1	0.65
AD115	397	398	1	0.48
AD115	398	399	1	0.15
AD115	399	400	1	0.19
AD115	400	401	1	0.70
AD115	401	402	1	0.55
AD115	462	463	1	0.41
AD115	463	464	1	0.30
AD115	464	465	1	0.90
AD115	465	466	1	0.74
AD115	466	467	1	0.70

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD115	467	468	1	1.11
AD115	468	469	1	0.96
AD115	469	470	1	0.36
AD115	470	471	1	0.37
AD118	276	277	1	0.62
AD118	277	278	1	0.23
AD118	278	279	1	0.45
AD118	279	280	1	0.17
AD118	280	281	1	0.23
AD118	281	282	1	0.38
AD118	282	283	1	0.15
AD118	283	284	1	0.46
AD118	284	285	1	0.16
AD118	285	286	1	0.27
AD118	286	287	1	0.38
AD118	287	288	1	0.59
AD118	288	289	1	0.17
AD118	289	290	1	0.21
AD118	290	291	1	0.19
AD118	291	292	1	0.40
AD118	292	293	1	0.19
AD118	293	294	1	0.29
AD118	294	295	1	0.19
AD118	295	296	1	0.47
AD118	296	297	1	0.31
AD118	297	298	1	0.13
AD118	298	299	1	0.36
AD118	299	300	1	0.24
AD118	300	301	1	0.31
AD118	301	302	1	0.52
AD118	302	303	1	1.30
AD118	303	304	1	0.49
AD118	304	305	1	0.70
AD118	305	306	1	0.63
AD118	306	307	1	0.31
AD118	314	315	1	0.37
AD118	315	316	1	0.23
AD118	316	317	1	0.25
AD118	317	318	1	0.33
AD118	318	319	1	0.33
AD118	319	320	1	0.41

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD118	320	321	1	0.39
AD118	321	322	1	0.30
AD118	322	323	1	0.50
AD118	323	324	1	0.31
AD118	341	342	1	2.10
AD118	342	343	1	0.62
AD118	343	344	1	0.19
AD118	344	345	1	0.30
AD118	345	346	1	0.40
AD118	346	347	1	0.51
AD118	347	348	1	0.86
AD118	348	349	1	0.28
AD118	349	350	1	0.63
AD118	350	351	1	0.21
AD118	351	352	1	0.27
AD118	352	353	1	0.28
AD118	353	354	1	0.40
AD118	354	355	1	0.18
AD118	355	356	1	0.20
AD118	356	357	1	0.29
AD118	357	358	1	0.42
AD118	358	359	1	0.60
AD118	359	360	1	0.39
AD118	360	361	1	0.47
AD118	361	362	1	0.13
AD118	362	363	1	0.45
AD118	363	364	1	0.20
AD118	364	365	1	0.35
AD118	365	366	1	0.22
AD118	366	367	1	0.23
AD118	367	368	1	0.34
AD118	368	369	1	0.32
AD118	369	370	1	0.12
AD118	370	371	1	0.09
AD118	371	372	1	0.84
AD118	392	393	1	0.35
AD118	393	394	1	0.29
AD118	394	395	1	0.20
AD118	395	396	1	0.92
AD118	396	397	1	0.30
AD118	397	398	1	0.39

Drill Hole	From (m)	To (m)	Sample Width	Tin Grade[B] Sn %
AD118	398	399	1	0.18
AD118	399	400	1	0.17
AD118	400	401	1	0.37
AD118	401	402	1	0.25
AD118	402	403	1	0.13
AD118	403	404	1	0.29
AD118	404	405	1	0.63
AD118	405	406	1	0.69
AD118	406	407	1	1.60
AD118	407	408	1	0.30
AD118	475	476	1	0.76
AD118	476	477	1	0.36
AD118	477	478	1	0.55
AD118	478	479	1	0.02
AD118	479	480	1	0.07
AD118	480	481	1	0.59

[B] grades adjusted for recovery