



16 September 2014

ASX CODE: KAS

**OUR PRIME COMMODITY IS
TIN**

LME TIN PRICE (12/09/14)

**US\$21,175 / 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
KIKAGATI TIN PROJECT

CAPITAL STRUCTURE

SHARES ON ISSUE:	396M
UNLISTED OPTIONS:	18.0M
CASH @ 30/06/14	\$4.4M

MAJOR SHAREHOLDERS

WORLD BANK (IFC)	15.8%
AFRICAN LION GROUP	15.1%
TRANSAMINE	3.3%
TRAXYS	3.3%
MGMT & DIRECTORS	3.0%
THAISARCO	2.0%

CONTACTS

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NON-RENOUNCEABLE RIGHTS ISSUE



HIGHLIGHTS

- 3 for 10 pro-rata non-renounceable rights issue
- \$8.3 million to be raised at 7 cents per share
- Proceeds to be used to fund extensional drilling at the Western Zone Shallows target, Achmmach DFS Optimisation and for financing and off-take activities
- Canaccord Genuity (Australia) Limited to act as Lead Manager

Kasbah Managing Director Wayne Bramwell said:

"This capital raising provides Kasbah the ability to extend the Western Zone Shallows target while concurrently continuing the optimisation of the Achmmach DFS programme."

Additional funding increases the Company's leverage with respect to financing and off-take negotiations. There are few projects currently seeking project financing from the international debt market and even less new, sustainable sources of tin concentrates available to the tin sector.

On all fronts, the competition to provide debt for Achmmach and / or secure off-take rights is high."

ENDS.

KASBAH ANNOUNCES PRO-RATA NON-RENOUCEABLE RIGHTS ISSUE

Kasbah Resources Limited (**ASX:KAS**) (**Company**) advises that it intends to undertake a capital raising of approximately \$8.3M (before costs) through a pro rata non-renounceable rights issue (**Rights Issue**) of three (3) fully paid ordinary shares in the capital of the Company (**Shares**) for every ten (10) Shares held by eligible shareholders on the record date. The Rights Issue will be at an issue price of \$0.07 per new Share (representing a 13.9% discount to the 20 day VWAP) and will result in up to 118,773,779 new Shares being issued. Any fractional entitlements arising from the Rights Issue will be rounded up.

New Shares issued under the Rights Issue will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the new Shares proposed to be issued under the Rights Issue. Share entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable.

All directors will participate in the rights issue with 5 out of 6 taking up their full entitlements.

The proceeds of the Rights Issue will be used to continue extensional drilling at the Western Zone Shallows target, Achmmach DFS Optimisation and for financing and off-take activities.

Eligible shareholders will be entitled to participate in a short-fall facility and apply for new Shares in excess of their pro rata entitlements under the Rights Issue (additional Shares will be issued to the extent there is shortfall under the Rights Issue). This short-fall facility and process will be managed by Canaccord Genuity (Australia) Limited.

Following completion of the Offer, the Company will have approximately 514,686,375 Shares on issue.

An Offer Document setting out the details of the Offer will be released to the Australian Securities Exchange shortly.

For and on behalf of the Board



Wayne Bramwell
Managing Director

For further information please go to:

Or email:

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