

16 AUGUST 2010

ASX CODE: KAS

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PROJECTS - MOROCCO

- ◇ ACHMMACH TIN PROJECT
- ◇ TAMLALT GOLD PROJECT

INVESTMENT DATA

SHARES ON ISSUE 237M

SHAREHOLDERS

TOP 20 HOLD 73%

LME TIN PRICE  
(13/08/10)

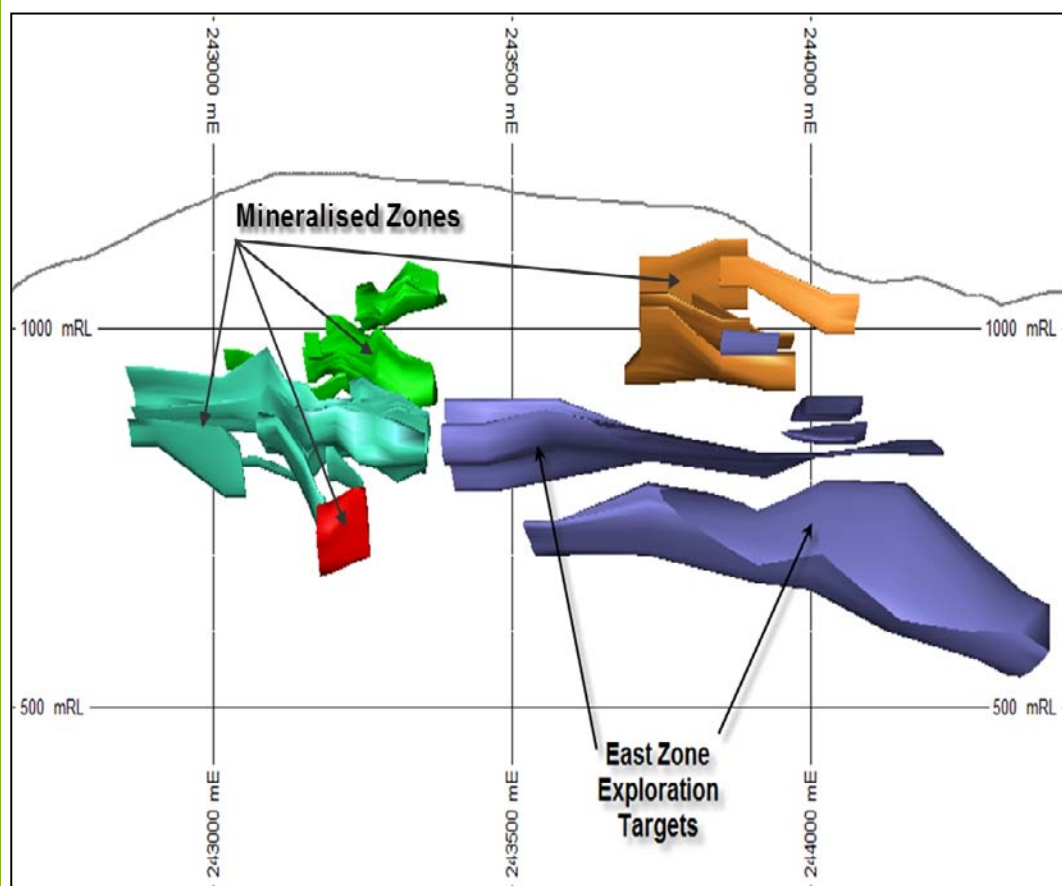
US\$20,200 / T  
(CASH BUYER)

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.

## RESOURCE UPGRADE EXCEEDS INDICATED TARGET AT MEKNES



### HIGHLIGHTS

- Meknes Resource Definition Drilling targeting potentially underground mineable tin mineralisation has exceeded expectations and provides larger than expected first indicated resource estimate tonnages for Achmmach
- Quantitative Group (QG) have estimated:
  - **2.2 Mt of Indicated Mineral Resource @ 0.8% tin**
  - 4.8 Mt of Inferred Mineral Resource at 0.8% tin
  - Total 7.0 Mt of Indicated and Inferred Mineral Resources at 0.8% tin
  - Drilling has increased confidence in continuity of the mineralisation both in terms of tonnes and tin grade
- Exploration targets below East Zone potentially contain an additional 4-8 M tonnes of tin mineralisation at a grade of 0.5% - 1% tin
- Drilling at Achmmach continues to test strike and depth extensions at Meknes, Fez and Marrakech

**NEW MINERAL RESOURCE ESTIMATE FOR  
THE ACHMMACH TIN DEPOSIT**

A total Mineral Resource of 7 million tonnes at 0.8% tin (Sn) has been estimated, containing approximately 54,000 tonnes Sn. This includes 2.2 million tonnes at 0.8% Sn of Mineral Resource that has been classified as Indicated. These figures are reported above a 0.5% Sn cut-off.

This statement conforms to the Joint Ore Reserves Committee (JORC, 2004) Code for the reporting of mineral resource estimates, for a Mineral Resource estimate prepared by Mr Michael Job of Quantitative Group (QG) for the Achmmach Tin Project.

Resources have been classified by QG under the JORC (2004) code as follows:

**Table 1**

**Mineral Resource Estimate for Achmmach as at August 16, 2010 (above 0.5% Sn)**

<b>Category</b>	<b>Million Tonnes</b>	<b>Sn %</b>	<b>Sn k tonnes</b>
<b>Indicated</b>	2.2	0.8	17
<b>Inferred</b>	4.8	0.8	37
<b>Total</b>	<b>7.0</b>	<b>0.8</b>	<b>54</b>

*\*Note that the figures in Table 1 have been rounded appropriately, as advised by JORC.*

This is an increase of 2 thousand tonnes of contained Sn over the previously announced Mineral Resource Estimate (6 Mt at 0.9% Sn Inferred above a 0.6% cut-off, announced in December 2008) but more importantly, a significant proportion of the Mineral Resource is now classified as Indicated.

The recent drilling program has increased the confidence in the continuity of the mineralisation, both in terms of tonnes and tin grade, resulting in over two million tonnes of the resource being classified as Indicated.

The Resource estimation methodology is summarised in Appendix 1.

**SUMMARY**

Achmmach lies in northern Morocco, approximately 140 km southeast of the capital city, Rabat (see Figure 1) and within two Exploitation Permits, PE 2912 and PE 193172 covering 32 square kilometres as shown in Figure 2.



**Figure 1**  
**Achmmach Tin Project**



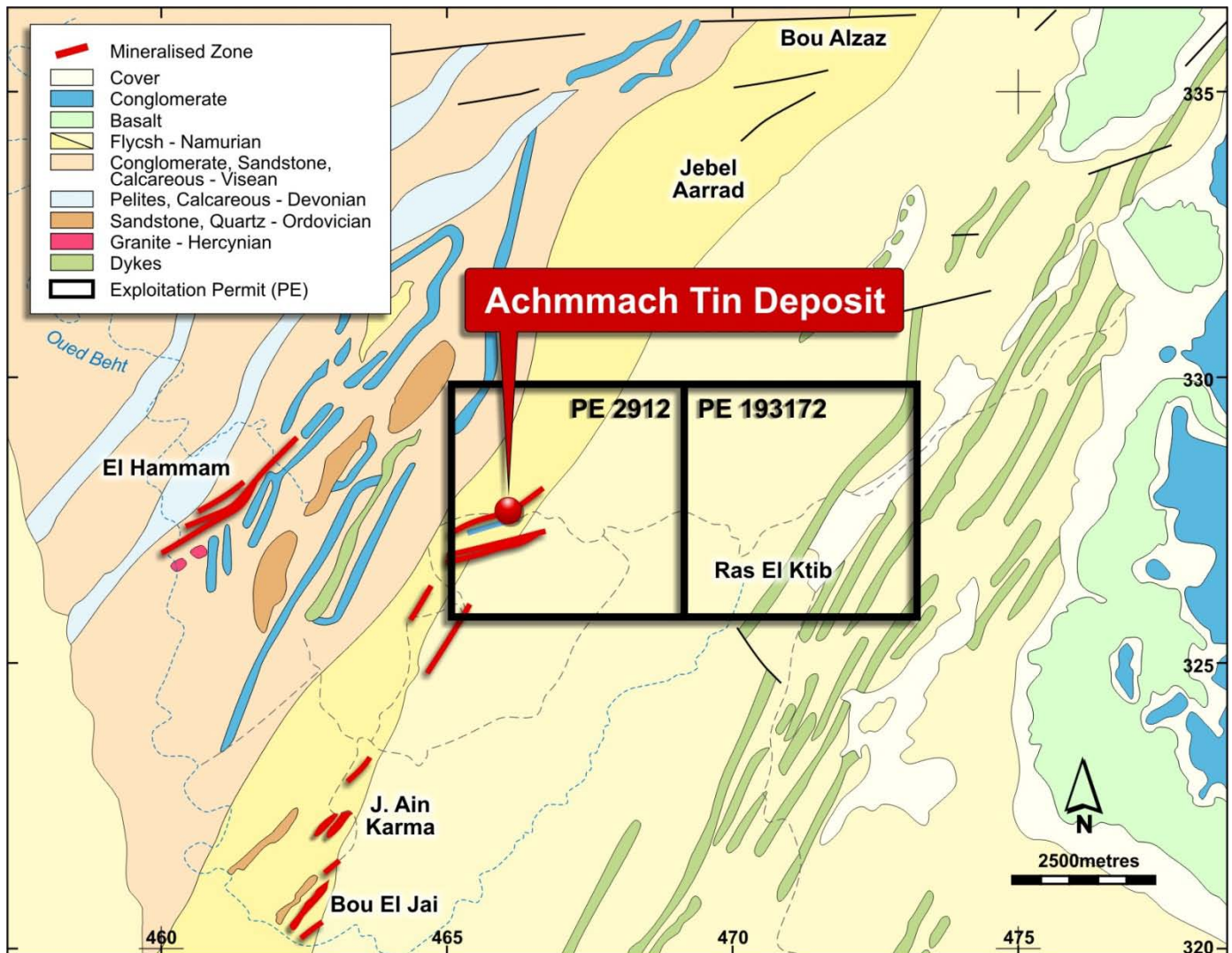


Figure 2

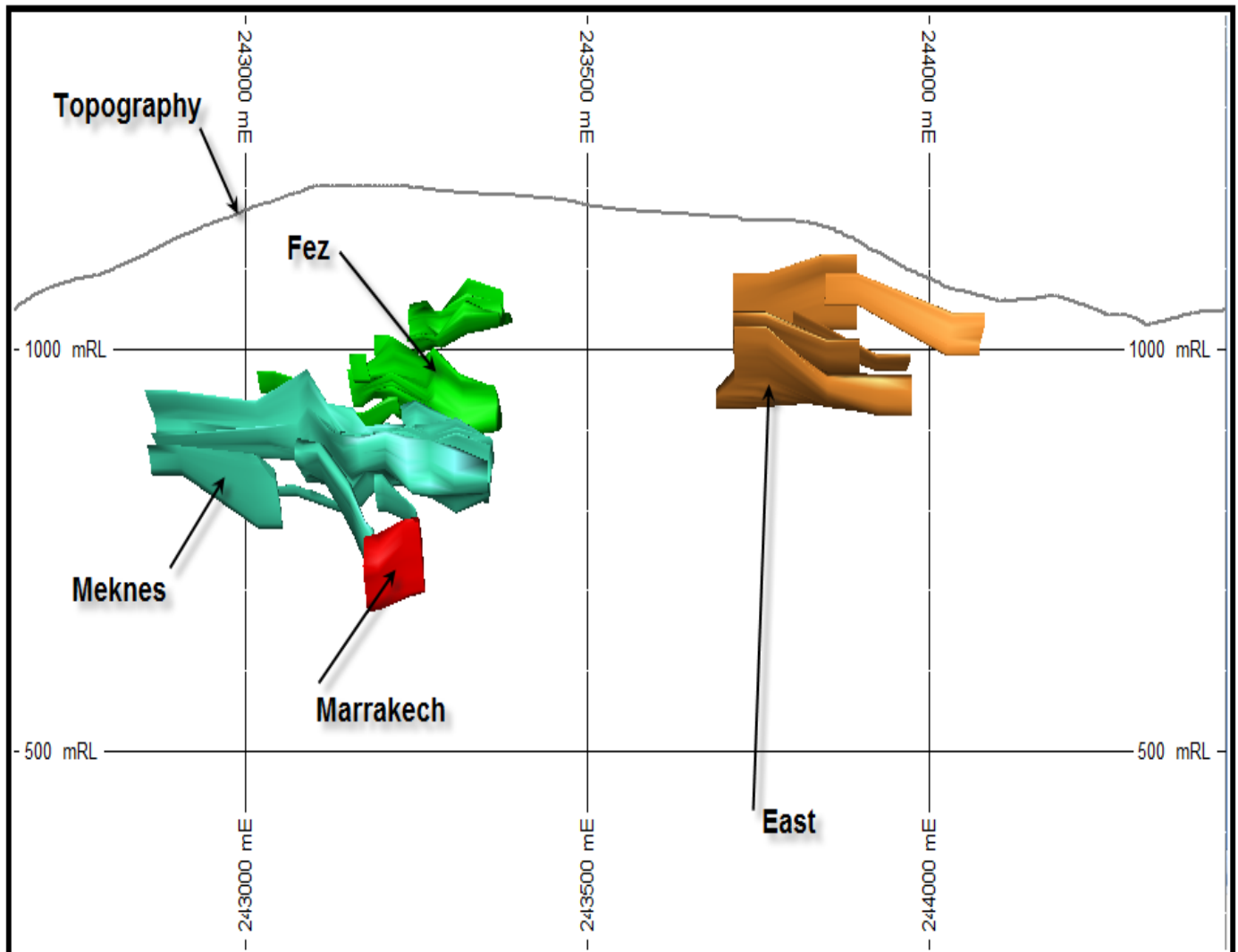
### Achmmach Permit Map

Mineralisation at Achmmach is within a series of folded and metamorphosed shales and sandstones of Upper Carboniferous age. The tin is associated with stacked tourmaline alteration lodes that vary in widths up to 30 m. The tin occurs mainly as cassiterite ( $\text{SnO}_2$ ) in millimetre to centimetre scale quartz-cassiterite veinlets and fractures.

The lodes can be traced over several hundred metres strike length, and the total known mineralised system is about 2 km long, although it has not been closed off by drilling.

These mineralised lodes can be grouped together as a series of discrete zones as shown in Figure 3.

The Meknes, Fez and Marrakech zones are high-grade zones at depth (150 m to 500 m below surface), whereas the East zone is slightly lower grade, but closer to the surface (20 m to 200 m).



**Figure 3**

**Mineralised Zones at Achmmach**

The Mineral Resource Estimate tabulated by zone and resource classification is shown in Table 2.

**Table 2**

**Mineral Resource Estimate for Achmmach by zone as at August 16, 2010  
 (above 0.5% Sn)**

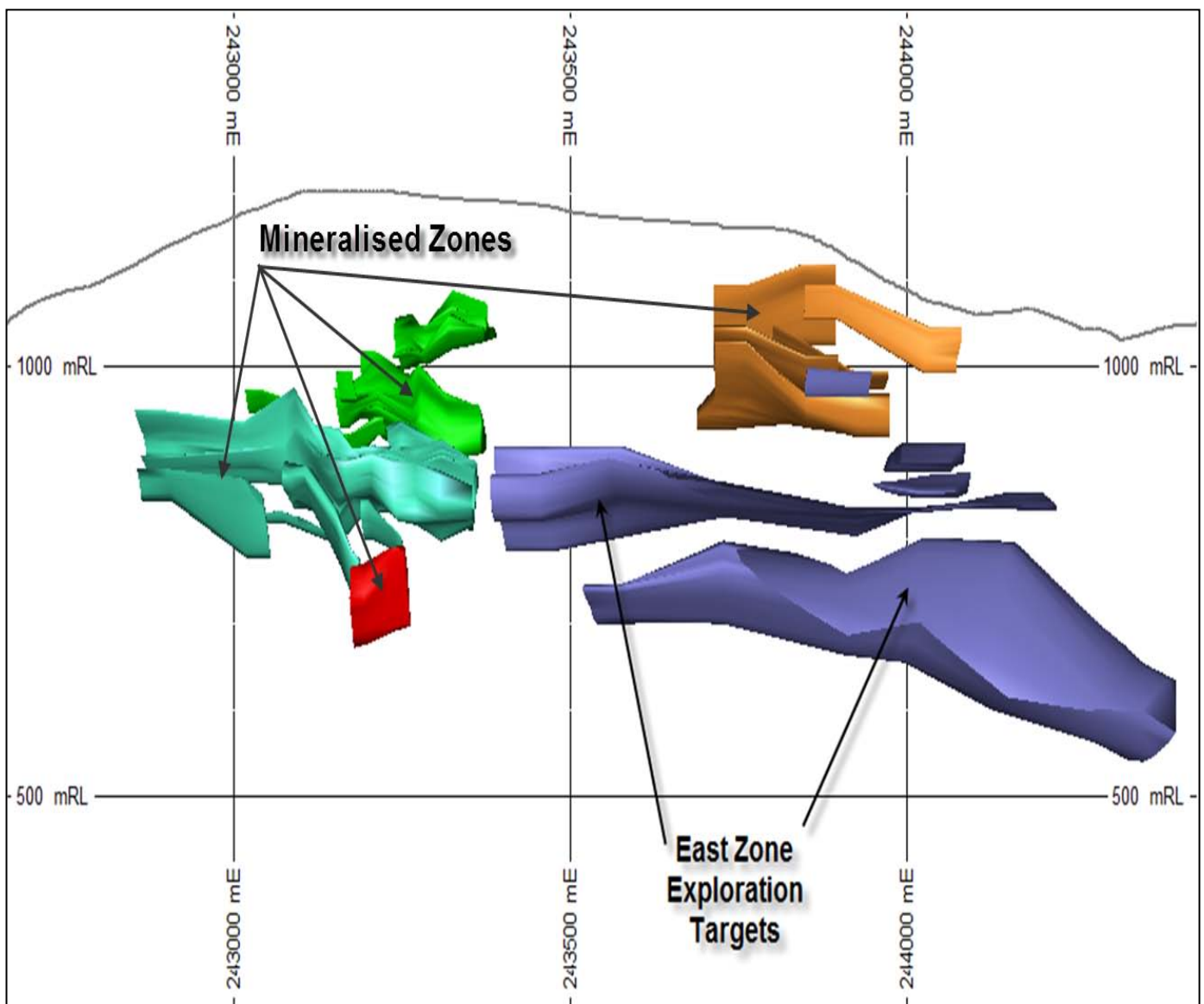
	<b>Zone</b>	<b>Million Tonnes</b>	<b>Sn %</b>	<b>Contained Sn k-tonnes</b>
<b>Indicated</b>	<b>Meknes</b>	1.6	0.8	13
	<b>Fez</b>	0.6	0.8	4
	<b>Marrakech</b>			
	<b>East Zone</b>			
	<b>Total</b>	<b>2.2</b>	<b>0.8</b>	<b>17</b>
<b>Inferred</b>	<b>Meknes</b>	2.1	0.7	16
	<b>Fez</b>	0.9	0.8	7
	<b>Marrakech</b>	0.3	1.0	3
	<b>East Zone</b>	1.4	0.7	10
	<b>Total</b>	<b>4.8</b>	<b>0.8</b>	<b>37</b>
<b>Indicated +</b>				
<b>Inferred</b>	<b>Total</b>	<b>7.0</b>	<b>0.8</b>	<b>54</b>

**Exploration Targets**

There is potential for significant tin mineralisation targets at depth below the East Zone. Drilling here has already identified mineralisation and the conceptual drill target zones are shown in Figure 4.

There are a significant number of drilling intercepts with potentially economic Sn grades in the East Zone, but to date, much of the deeper mineralisation is too widely drilled to be classified as indicated.

These exploration targets potentially contain four to eight million tonnes of tin mineralisation, at a grade of between 0.5% Sn and 1% Sn and require further drilling.



**Figure 4**

**Mineralised Zones and East Zone Exploration targets**

## Appendix 1- Technical Information Regarding the Estimate

The data on which this estimate is based consists of 20 diamond drill holes by BRPM (Bureau de Recherches et des Participations Minières, now ONHYM) drilled in the early 1990's, and 41 diamond drill holes drilled by Kasbah since 2007.

The mineralised domain interpretations use lithological, alteration and structural geological observations with the aid of tin assays, using a threshold of approximately 0.2% Sn. These domains have variable geometries, but generally conform to a gently plunging fold structural interpretation with a strike to the ENE.

The mineralised domains were defined in 3D by using wireframes, and assessment of these domain boundaries shows that these boundaries should be treated as 'hard' (well defined) for estimation purposes.

The drill-hole samples were composited to 1 m down-hole intervals, which were controlled by the domain boundaries. A minimum composite length of 0.5 m was used.

Top-cuts were applied to tin in all domains, and estimates were run for both the cut and uncut sample data. For the vast majority of the domains, the difference between the uncut and cut estimates was negligible, so the estimate using the uncut grades was used in these instances.

Ordinary Kriging (OK) was used to estimate 25 m (X) x 10 m (Y) x 5 m (Z) parent cells for Sn and bulk density (range 2.8 – 2.9 t/m<sup>3</sup>).

Resource categories for the estimate were based on data quality and quantity, confidence in geological interpretation and domaining, and quality of the estimates. The classification is consistent with the guidelines presented in JORC (2004).

For and on behalf of the Board,

A handwritten signature in blue ink, appearing to read 'Wayne Bramwell', with a horizontal line underneath.

**Wayne Bramwell**

**Managing Director**

For further information please go to:

[www.kasbahresources.com](http://www.kasbahresources.com)

Or email:

[info@kasbahresources.com](mailto:info@kasbahresources.com)

*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.*