



9 DECEMBER 2016

ASX CODE: KAS

**OUR PRIME COMMODITY IS
TIN**

LME TIN PRICE (08/12/16)

US\$21,390 / t

(CASH BUYER)

ABOUT KASBAH

KASBAH IS AN AUSTRALIAN LISTED MINERAL EXPLORATION AND DEVELOPMENT COMPANY.

THE COMPANY (75%) AND IT'S JOINT VENTURE PARTNERS TOYOTA TSUSHO CORP (20%) AND NITTETSU MINING CO. (5%) ARE 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:	556M
UNLISTED OPTIONS:	0.5M
CASH @ 30/09/16:	\$0.9M

MAJOR SHAREHOLDERS

WORLD BANK (IFC)	17.7%
AFRICAN LION GROUP	15.7%
THAISARCO	5.6%
TRAXYS	5.3%

CONTACT US

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UPDATE ON SCHEME OF ARRANGEMENT

Kasbah Resources Limited (**Kasbah** or the **Company**) refers to the proposed scheme of arrangement by which Asian Mineral Resources Limited (**AMR**) would acquire all of the issued capital of the Company (**Scheme**).

The Company advises that after the Scheme meeting held on 23 November 2016, the Company received, on Monday 5 December 2016, a copy of a third party expert's analysis of the valuation methodology applied by the independent expert, BDO Corporate Finance (WA) Pty Ltd (**BDO**), in their independent expert's report included in the Scheme Booklet.

BDO assessed the analysis of the third party expert and subsequently has advised Kasbah that a fundamental error had been identified in the valuation methodology applied in BDO's expert's report. The fundamental error affects BDO's valuation of the Scheme consideration and changes BDO's opinion of the Scheme to "not fair, but reasonable" for Kasbah shareholders.

Accordingly, Kasbah considers that the condition precedent requiring approval of the Scheme by the Federal Court of Australia, is currently incapable of being satisfied in relation to the Scheme approved by shareholders on Wednesday, 23 November 2016.

As required by the Scheme Implementation Agreement (**SIA**), the Company will now consult in good faith with AMR to determine if there is a means for the Scheme or an alternative transaction to be agreed between the parties.

Kasbah intends to seek an adjournment to the second court hearing scheduled for Monday 12 December 2016 until further notice.

The Company will remain suspended until it is able to make a further update in relation to the Scheme.