

13 January 2010

ASX Code: KAS

Board & Management

Graeme Walker
Non Executive Chairman

Wayne Bramwell
Managing Director

Rod Marston
Non Executive Director

Rob Weinberg
Non Executive Director

Trevor Hart
Chief Financial Officer /
Company Secretary

Exploration Manager
Jeffrey Lindhorst

Projects - Morocco

- Achmmach Tin Project
- Tamlalt Gold Project

Investment Data

Shares on Issue 177M

Shareholders

Top 20 Hold 65%

LME Tin Price (08/01/10)

US\$17,375 / t (cash buyer)

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9.9 % TIN AT SURFACE

ACHMMACH TIN PROJECT

EXPLORATION UPDATE



Figure 1

Western Zone Outcropping Tin Mineralisation
(Brown, coarse grained cassiterite crystals > 5mm)

HIGHLIGHTS

- Outcropping, high grade tin mineralisation found at surface within Western Zone structure
- High grade assays up to **9.9% tin** received from 3 to 4 kg composite rock chip samples across structure
- A coherent 150m long mineralised zone outlined
- High grade mineralisation zones up to 5m in width
- Now three open pit targets to follow up
- Tin price increases to US\$17,375 / tonne

ACHMMACH EXPLORATION UPDATE: NEW HIGH GRADE TIN MINERALISATION IN OUTCROP

Kasbah Resources Limited (Kasbah) is pleased to announce the latest results from surface exploration at the company's Achmmach Tin Project.

Ongoing mapping and composite rock chip sampling completed in the western part of mining permit 2912 (PE2912) has defined a large east southeast-striking zone of outcropping high grade tin mineralisation, referred to as the Western Zone.

Assays up to **9.9% tin** have been returned from rock chip samples collected in this area (Appendix A - Table 1). Visible cassiterite (tin oxide) was noted in many outcrops with crystals up to 5mm in size being evident (**Figure 1**).

The mineralised Western Zone structure is approximately 300m long and a total of thirty six, 3-4 kilogram composite rock chips samples were collected from this structure. These composite samples were collected systematically across the strike of the outcrops, with these outcrops varying from 2 to 5 metres true width.

Twelve samples returned greater than 0.5% tin in a coherent 150 metre long zone striking 100 to 110 magnetic, and dipping steeply to the south. The tin mineralised outcrops in the Western Zone are located approximately 600 metres west of the Meknes Zone and represent the first occurrence of high grade tin found at surface in this area (**Figure 2**).

The mineralisation is hosted by interbedded metamorphosed sandstones and siltstones cut by moderate tourmaline alteration associated with brecciated and sheared zones. Tin mineralisation occurs both in the tourmaline-altered shears and breccias and as disseminations into the adjoining sandstones. Additional soil sampling has been undertaken in the south west of PE 2912 and results are now pending.

With the discovery of the Western Zone, three zones of outcropping tin mineralisation have now been identified at the Achmmach project (including the Northern Zone and the Eastern zone) as shown in Figure 2.

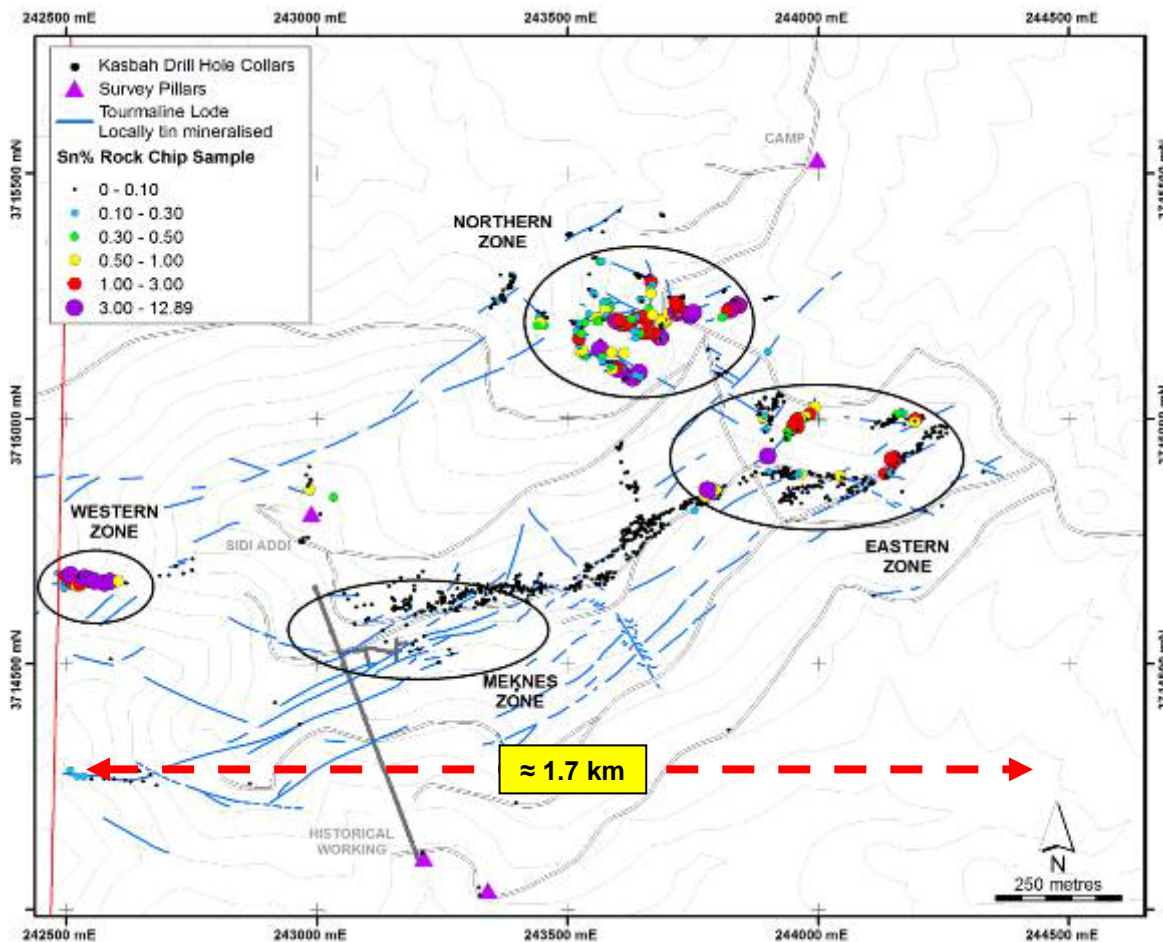
The Achmmach Tin Project continues to provide new surface tin targets that will potentially complement a large, high grade underground mine, which is the focus of the ongoing drilling programme of the Meknes Zone. Open pittable mining opportunities at Achmmach could:

- provide additional low cost, open pit tonnage to the project during the start up phase
- significantly increase the Achmmach resource base
- provide increased operational flexibility with respect to mining options

Additional surface mapping and sampling is required to define the geological relationship between the surface and deeper tin zones. After completion of this work, an expanded drilling programme is being considered to follow up these prospective shallow tin targets.

Figure 2

Locations of High Grade Tin Outcrop assays, and of the Western Zone and other tin-mineralised zones in PE 2912



For and on behalf of the Board,



Wayne Bramwell
Managing Director

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CFO / Company Secretary

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The information in this report is based on information compiled by Mr. Jeffrey Lindhorst a Member of the Australasian Institute of Geoscientists. Mr. Lindhorst 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. Lindhorst consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Appendix A

Table 1
Significant Composite Rock chip Sample Results

Sample ID	Northing	Easting	RL (m)	Tin Assay (%)
KAS1742	3714666	242576	1105	6.95
KAS1743	3714671	242580	1103	0.48
KAS1745	3714651	242469	1064	1.91
KAS1749	3714665	242511	1079	1.42
KAS1750	3714660	242520	1082	0.96
KAS1751	3714662	242526	1076	2.05
KAS1752	3714677	242536	1076	5.23
KAS1753	3714673	242546	1084	4.11
KAS1754	3714670	242555	1086	3.71
KAS1755	3714680	242497	1055	2.20
KAS1756	3714683	242508	1066	4.22
KAS1758	3714669	242587	1100	9.90
KAS1759	3714670	242604	1107	0.58

Note:

Tin analysis by XRF12 method was done by ALS Chemex Perth.