



10 April 2017

ASX CODE: KAS

**OUR COMMODITY IS
TIN**

LME TIN PRICE (07/04/17)

US\$20,350 / t

(CASH BUYER)

ABOUT KASBAH

KASBAH IS AN AUSTRALIAN LISTED MINERAL EXPLORATION AND DEVELOPMENT COMPANY.

THE COMPANY (75%) AND ITS 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:	694M
UNLISTED OPTIONS:	0.5M
CASH @ 31/12/16:	\$4.1M

MAJOR SHAREHOLDERS

PALA INVESTMENTS	19.9%
WORLD BANK (IFC)	14.2%
AFRICAN LION GROUP	12.6%
THAISARCO	4.6%
TRAXYS	4.3%

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KASBAH FINALISES CEO APPOINTMENT AND ANNOUNCES KEY MANAGEMENT AND PROJECT UPDATES

Highlights

- Employment terms finalised for CEO Richard Hedstrom;
- Appointment of a new COO to lead the finalisation of assessment, development and ultimately operations at Achmmach; and
- Project review underway to focus on practical execution of Achmmach – expected conclusions this quarter.

Management Update

CEO Employment Terms

Kasbah Resources (Kasbah) is pleased to advise the terms of employment for CEO Richard Hedstrom have now been finalised and approved by the Kasbah Board. In accordance with Listing Rule 3.16.4, these key terms are attached as Appendix A.

Total remuneration for Mr Hedstrom includes short and long term incentives, and delivery of these will be linked to certain KPI's being achieved. These KPI tested incentives firmly aligns a large part of total remuneration with the Company's performance and results. In addition, part of these incentive payments are in the form of options rather than cash, further aligning Mr Hedstrom's performance and interests with shareholders. The Company intends to seek shareholder approval for an equity plan providing for long term incentives for employees of the Company.

New Chief Operating Officer (COO)

Kasbah is also pleased to advise the appointment of Mr Evan Spencer to the position of COO from 1 May 2017. Evan is a highly experienced mining executive and has held a wide range of executive, senior management and operational roles in mining, both domestically and internationally over 25 years. Evan has held senior roles in Barrick Gold, Kagara, Goldfields of South Africa, Aditya Birla Minerals and GBF Mining Contractors. He was most recently Chief Executive of Asian Mineral Resources. Mr Spencer brings extensive technical and strategic leadership skills and experience to the Kasbah Management team, guiding AMR through the completion of construction, permitting and commissioning of the Ban Phuc operations in Vietnam.

In addition Evan has worked on asset integration in Saudi Arabia and lead the strategic development and implementation of Barrick's Kalgoorlie and Papua New Guinea Operations.

Evan has significant experience in project development, feasibility, permitting approvals and Joint venture management bringing key technical and operational management leadership to the Kasbah team as it embarks on the development of the Achmmach project.

Evan holds a Master of Mineral Economics, a Bachelor of Applied Science Geology (Hons), completed post-graduate studies in mine engineering, business and mining and holds a W.A. First Class Managers Certificate.

Current COO, Mike Kitney will hand over responsibilities for project assessment and operations to Mr Spencer prior to his departure.

Commenting on the appointment of Evan, CEO Richard Hedstrom stated:

"We are fortunate to have attracted an executive with Evans talents and operational expertise that spans project feasibility, mine construction and production and I look forward to working with him to rapidly advance the Achmmach project."

Chairman John Gooding remarked on the recent management appointments:

"Over the last four months Kasbah Resources has put in place an entirely new Board and is progressing a new senior management team to focus on the company's development of its Achmmach Tin Project in Morocco. The new team brings together a high level of experience and proven performance to successfully take the project from feasibility into financing then development and production."

Achmmach Update

As announced on 10 March 2017 in the Directors Report of the Interim Financial Report for the Half Year to December 2016, the Company has commenced an Independent Technical Review of the Achmmach Project. This construction readiness review is part of moving to a construction decision, and will include optimization trade-offs with the aim of ensuring the optimal route to a commencement of construction. All facets of the Small Scale Option Definitive Feasibility Study (SSO DFS) published in August 2016 will be reviewed.

The review is being undertaken by AMC Consultants and is expected to be completed during the current quarter. Depending on the results of this study, follow-up work on the project will commence shortly thereafter.

CEO Richard Hedstrom said:

"The new Board and management have been impressed with the broad interest shown in the project by potential project funders and parties interested in metal offtake. This independent review and follow up work is required to make a determination of an optimal funding strategy to allow the company to transition from assessment, to financing and then development."

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'Richard Hedstrom', on a light-colored background.

Richard Hedstrom
Chief Executive Officer

For further information please go to:
Or email:

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**APPENDIX A
KEY TERMS OF MR RICHARD HEDSTROM'S EMPLOYMENT CONTRACT**

Total Fixed Remuneration (TFR)	A salary of \$350,000 per annum inclusive of statutory superannuation. Salary to be reviewed annually.
Term	Ongoing until terminated under the contract with a probationary period of 6 months commencing from 23 December 2016.
Short Term Incentive (STI)	Maximum STI bonus of 60% of TFR. STI Bonus to be paid out against Board determined Short Term performance hurdles for each financial year.
Long Term Incentive	<p>Initial sign-on incentive of 3,000,000 Options to be issued at an exercise price of 145% premium of the 5 Business Day VWAP of the Company's shares calculated up to the trading date immediately prior to the date of issue with an expiry date of three years from the date of issue.</p> <p>The options to vest as follows:</p> <ul style="list-style-type: none"> a) 1,500,000 Options are exercisable at any time on and from the date that is 12 months from the date of issue of the options; and b) 1,500,000 Options are exercisable at any time on and from the date that is 24 months from the date of issue of the options. <p>The Board also intends for the Company to investigate the implementation of a Performance Rights Incentive Scheme in the future which would require Shareholders approval before implementation. It is likely that Mr Hedstrom would be a recipient of this incentive. Full disclosure of any incentive to Mr Hedstrom will be made at the time terms and conditions have been finalized however the following general principles have been agreed:</p> <ul style="list-style-type: none"> a. Participation in the LTI scheme will include: <ul style="list-style-type: none"> i. Board determined performance hurdles; and ii. vesting periods. b. Initially, the Board anticipates that: <ul style="list-style-type: none"> i. performance rights will be granted in tranches; ii. each tranche will be judged against performance hurdles determined by the Board, so that any tranche will not vest unless the performance hurdles associated with that tranche are met; iii. when considering whether the performance hurdles have been met, each tranche stands alone; iv. if the relevant performance hurdles are met, any performance rights granted will not vest until three (3) years after the date of grant; v. the value of any performance rights granted in any year will not exceed 75% of the all-inclusive TFR.
Termination	<p>Termination during the Probationary period – 1 month.</p> <p>Termination during remainder of contract under normal circumstances – 6 months.</p> <p>Summary Dismissal by the Company – immediate.</p> <p>Termination benefits to the extent permitted under the Corporations Act are included in the contract in the event of certain termination events.</p>