

27 May 2009

ACHMMACH OPTION EXTENDED

SNAPSHOT

Kasbah Resources Limited
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South Perth
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ASX Code: KAS

Investment Data

Shares on Issue 88.5M
High / Low (52 week)
\$0.24 / \$0.03

Board & Management

Graeme Walker
Non Executive Chairman

Wayne Bramwell
Managing Director

Peter Hepburn Brown
Non Executive Director

Rod Marston
Non Executive Director

Rob Weinberg
Non Executive Director

Peter Youd
Chief Financial
Officer/Company Secretary

Jeffrey Lindhorst
Exploration Manager

Shareholders

Top 20 Hold 66.6%

Cash Reserves

Cash Balance (31/03/09) \$3.9M

Projects - Morocco

- Achmmach Tin Project
- Tamlalt Gold Project
- El Karit Tin Project

For further information email
info@kasbahresources.com

Or visit our website
www.kasbahresources.com



- The option over the Achmmach Tin Project has been extended by a further 2 years by the Moroccan Minister of Energy and Mines, Water and the Environment
- The drilling programme to continue the evaluation of the tin lodes within the Meknes Zone is planned to commence in July
- The objective of this programme is to upgrade an area of the Inferred JORC resource in the Meknes Zone to JORC Indicated classification and facilitate commencement of mine planning studies.

1.0 ACHMMACH TIN PROJECT

It is with great pleasure that Kasbah Resources Limited (Kasbah) advises that Madame Amina Benkhadra, the Minister for Energy and Mines, Water and the Environment has approved an extension to the Memorandum of Agreement between ONHYM and Kasbah for the Achmmach Tin Project in Morocco.

With this extension, the deadline for completion of a Feasibility Study on Achmmach now becomes June 2011.

Under this agreement and on completion and submission of a Feasibility Study to ONHYM (the Office National des Hydrocarbures et Des Mines) Kasbah can exercise its exclusive option to acquire 100% of the Achmmach Tin Project, in the El Hajeb region of Morocco. The agreement also has provision for Kasbah, at its election, to utilise a further 12 months from June 2011 to optimise the study if required.

On exercise of the option ONHYM will transfer the Achmmach mining permits to Kasbah in return for payments of US\$1m on transfer and thereafter, annual payments of US\$1m for 4 years. The total transfer price is US\$5m plus a 3% net smelter royalty.

Kasbah Managing Director Wayne Bramwell said:

“The extension of the option allows Kasbah to continue with its evaluation of the Achmmach Tin Project in a systematic and logical manner towards a development decision. The extension to our agreement underlines the strength of the relationship the company has built with ONHYM in Morocco. Kasbah works in an open and inclusive manner with ONHYM and the company sees ONHYM as a critical stakeholder in the development of the Achmmach Tin Project.

The additional time provided under this extension will allow us to proceed with further surface drilling and a proposed phase of underground exploration that will quantify the development parameters for this major new hard rock tin project.

Drilling is planned for July with the objective of upgrading an area of the Meknes Zone from JORC Inferred to JORC Indicated classification. This will answer the key questions of spatial continuity on an underground mining scale and provide confidence to progress with a phase of underground exploration drilling.”

For and on behalf of the Board,



Wayne Bramwell
Managing Director

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