ACHMMACH DRILLING UPDATE

HIGHLIGHTS

- Infill drilling on Section 2050 confirms and extends previous interpretation of Meknes Inferred Resources up and down dip in this zone.

AD113 returned:

- 9m @ 0.63% Sn from 373m;
  (Includes 3m @ 1.15% Sn from 377m)

AD119 returned:

- 8m @ 0.96% Sn from 268m;
- 14m @ 0.42% Sn from 310m;
- 5m @ 1.03% Sn from 332m;
- 22m @ 0.89% Sn from 356m;
  (Includes 10m @ 1.17% Sn from 357m); and
- 9m @ 0.51% Sn from 482m.

- New resource estimate on track for release in March 2012
OVERVIEW

Kasbah Resources Limited ("Kasbah") is pleased to announce the latest exploration drilling results from the Company’s Achmmach Tin Project in Morocco. As stated in the 13 February 2012 release, the current drilling program has three primary objectives, being:

1. to complete first pass drilling of the Gap Zone on 80m spaced drill sections (from 2450mE to 2770mE) to confirm the extension of the Meknes mineralisation. If successful this will extend the mineralised strike by an additional 500m and provide the link between the previously reported resources in the Meknes Zone with the resources in the Eastern Zone.

2. to complete infill holes within the previously reported 2010 Meknes Resource (August 2010) with the aim to upgrade existing Inferred Resources and to increase the level of confidence in reported Indicated Resources; and

3. to infill the Gap Zone to 40m spaced drill hole sections.

Section 2050mE (reported here) tests Inferred Resources in the western end of the 2010 Meknes Resource (refer Figure 1).

A total of 1511 metres was drilled (3 drill holes) extending the previously interpreted Meknes Zone up dip and down dip. Assays for drill holes AD113 and AD119 are reported here with assays from AD127 pending.

These drill holes were drilled to assess the grade and tin disposition either side of AD029 (drilled previously and included in the 2010 Meknes Resource). AD113 tested down dip from AD029 and AD119 tested up dip from AD029. AD127 tests the mineralisation up dip from AD119 (in an area previously interpreted as thin and lower grade).

AD119 passed through a thicker than anticipated intersection of the Meknes Zone and also intersected mineralisation above the Meknes Zone. AD127 is likely to confirm the limit of the up dip extent of the Meknes Zone.
Achmmach Drill Plan (Plan view of drill hole traces and currently defined resource blocks)

Key Points - Mineralised Intersections

Section 2050mE

Section 2050mE (refer Figure 1) is located in the western third of the 2010 Meknes Resource. The three new drill holes were planned to provide additional information on the grade and disposition of the tin mineralisation. Previous drilling in this area was limited to two Kasbah drill holes (AD029 and AD054) and one BRPM drill hole (S13). The 2010 resource on 2050mE (and for the 2010 resource to the west) is currently classified as Inferred Resources.

- AD113

AD113 was planned to test the mineralisation below AD029 (Figure 2). AD113 returned:

- 9m @ 0.63% Sn from 373m (including 3m @ 1.15% Sn from 377m)

This intersection extends the interpretation further down dip than the 2010 resource model. Some narrower tin intercepts above this intersection can be linked with similar intersections in AD119. These upper intersections, whilst lower grade, suggest geological continuity of upper tin mineralised structures.
AD119 was designed to pass through the Meknes zone above AD029 and below S13. AD119 returned:

- 8m @ 0.96% Sn from 268m,
- 14m @ 0.42% Sn from 310m,
- 5m @ 1.02% Sn from 332m,
- 22m @ 0.89% Sn incl. 10m @ 1.17% Sn from 356m (including 10m @ 1.17% Sn from 357m),
- 9m @ 0.51% Sn from 482m

The intercepts between 332m and 378m down hole are interpreted as Meknes Zone and occur at their predicted positions. Mineralisation is mainly in quartz-cassiterite-low pyrite veins and disseminated within the adjacent tourmaline altered sediments. AD119 provides confidence to extend the previous interpretation up dip towards S13.

The upper intervals were interpreted as thin and lower grade mineralising structures in the previous drilling. AD127 will provide more information on these upper structures.
Drilling at Achmmach Tin Project continues with five rigs operational across a 1 km strike length.

The 80m spaced drilling of the Gap Zone is now complete. The 40m spaced infill drilling of the Gap Zone has commenced with sections 2410mE and 2490mE underway and the infill drilling of the 2010 Meknes Resource continues.

The Company anticipates the release of a new resource estimate in March 2012.

Wayne Bramwell
Managing Director

For further information please go to: www.kasbahresources.com
Or email: info@kasbahresources.com

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The information in this report is based on information compiled by Mr Chris Bolger, a Member of the Australasian Institute of Mining and Metallurgy. Mr Bolger 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 Bolger consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

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.
### APPENDIX A: Drill-Hole Collar Details

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<th>Hole ID</th>
<th>Collar UTM 30N WGS84 N</th>
<th>Collar UTM 30N WGS84 E</th>
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### APPENDIX B: Significant Intersections

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All Assays for Intervals reported below

Significant intersections >100m below natural surface selection criteria:

- ≥ 0.3%Sn and ≥ 5m down-hole and ≤ 3m down-hole < 0.3%Sn included OR
- ≥ 0.3%Sn and ≥ 1.5 %Tin-metres metal accumulation down-hole and ≤ 3m down-hole < 0.3%Sn included

<sup>B</sup> Grades adjusted for recovery
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