



**16 October 2014**

**ASX CODE: KAS**

**OUR PRIME COMMODITY IS  
TIN**

**LME TIN PRICE (13/10/13)**

**US\$20,150 / T  
(CASH BUYER)**

### **ABOUT KASBAH**

KASBAH IS AN AUSTRALIAN LISTED MINERAL EXPLORATION AND DEVELOPMENT COMPANY.

THE COMPANY IS ADVANCING THE ACHMMACH TIN PROJECT IN THE KINGDOM OF MOROCCO TOWARDS PRODUCTION.

### **PROJECTS**

ACHMMACH TIN PROJECT  
BOU EL JAJ TIN PROJECT  
KIKAGATI TIN PROJECT

### **CAPITAL STRUCTURE**

SHARES ON ISSUE:	396M
UNLISTED OPTIONS:	18.0M
CASH @ 30/6/14	\$4.4M

### **MAJOR SHAREHOLDERS**

WORLD BANK (IFC)	15.8%
AFRICAN LION GROUP	15.1%
TRANSAMINE	3.3%
TRAXYS	3.3%
MGMT & DIRECTORS	3.0%
THAISARCO	2.0%

### **CONTACTS**

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## **ASX RELEASE**

### **78% TIN RECOVERY**

### **FROM THE WESTERN ZONE**



### **HIGHLIGHTS**

- Metallurgical test work completed on Western Zone at Achmmach during October 2014 has achieved exceptional results
- Using the Definitive Feasibility Study (DFS) flow sheet, tin recovery from the Western Zone ore was 78%, being superior to that previously reported for the Meknès Trend ore (70.3%)
- Process flow sheet enhancements, developed post DFS and which contributed to the exceptional Western Zone results are expected to translate to improved metallurgical performance of Meknès Trend ore
- The post-DFS metallurgical development programme on Meknes ore is underway on a 3,000 kg representative composite sample.

Kasbah Chief Operating Officer Mike Kitney said:

*“The hard rock tin challenge is about extending metallurgical recoveries towards 80%. With Achmmach, the DFS model indicates that every 1% increase in metallurgical recovery has the potential to increase the Project NPV by approximately US\$7,000,000<sup>1</sup>.*

*Kasbah is committed to extending our metallurgical development effort to realise this additional project value.”*

**OVERVIEW**

Kasbah Resources Limited (“Kasbah”, ASX: KAS) is pleased to provide this update on metallurgical test work from the Western Zone (WZ) at the Achmmach Tin Project in Morocco.

**DFS OPTIMISATION - Metallurgical Test work Programmes**

Metallurgical work has focussed on two streams since the release to the market of the Definitive Feasibility Study (DFS) on 31 March 2014:

- Western Zone ore beneficiation; and
- Process flow sheet optimisation and investigation into other value-add opportunities.

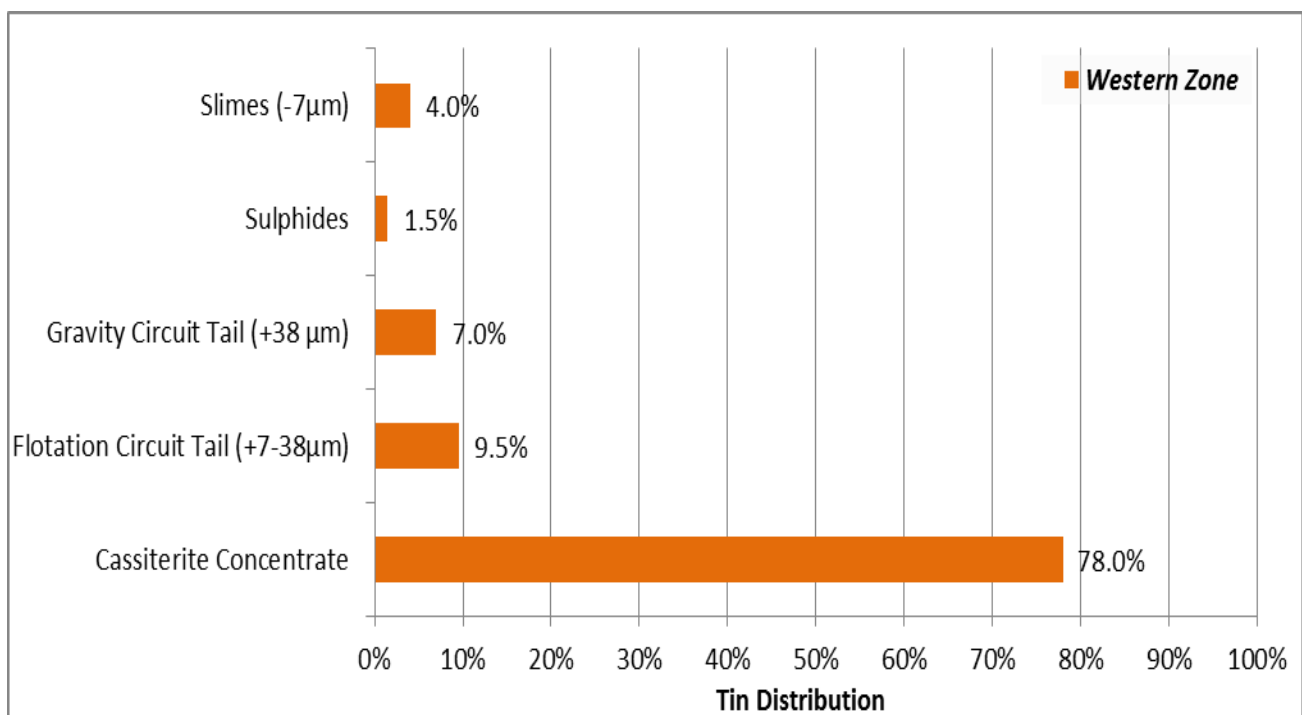
A 200 kg representative crushed core composite from the Western Zone was sent to Nagrom Metallurgical Laboratories Perth for a complete beneficiation test programme. This test work was designed to replicate the DFS process flow sheet to ensure its applicability to the Western Zone ore.

The programme adopted a crush, grind and conventional gravity process using spirals and tables for +45 um classified fractions. The -45 um fines were deslimed and subjected to specialised cassiterite flotation treatment, which has been tailored specifically for the Achmmach ore.

**WESTERN ZONE METALLURGICAL RESULTS**

The WZ metallurgical programme generated a clean saleable concentrate grading 55% Sn. Tin recovery was exceptional at 78% and this result provides increasing confidence that Kasbah’s ongoing post-DFS optimisation metallurgical programme will yield an improved result for the Meknès Trend ore, significantly enhancing the Achmmach Tin Project’s cash flow and overall project value.

**Figure 1** illustrates the deportment of tin achieved in the WZ programme.



**Figure 1: Tin Distribution to WZ Metallurgical Test Products**

The Western Zone metallurgical response compares very favourably to the Meknès ore (which underpins the DFS design basis) and is attributed to:

- Recent success in the treatment of low grade Meknès ore streams complemented by detailed mineralogical studies providing strong evidence for further treatment of gravity tailings via regrind and cassiterite flotation;
- The WZ programme utilised this concept, subsequently reducing the gravity tail grade target and forcing the low grade tin stream to cassiterite flotation; and
- Kasbah has completed over 100 cassiterite float optimisation tests and the resulting enhanced knowledge of cassiterite flotation kinetics has directly translated to a 15% improvement in cassiterite float recovery for the WZ.

### LOOKING FORWARD

Optimisation test work on a new 3,000 kg representative bulk composite from the Meknès Trend is underway. This programme is scheduled for completion in Q1, 2015 and targets enhanced metallurgical recovery from the Meknes Trend by optimisation of the following key areas:

- Cassiterite flotation performance and reagent usage;
- Flotation variability in lower grade ore samples including processed gravity tail streams;
- Alternate low cost desliming equipment and operation; and
- Investigation into opportunities to produce premium grade cassiterite concentrates.

For and on behalf of the Board



**Wayne Bramwell**  
**Managing Director**

For further information please go to:

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<sup>1</sup> The calculation of the effect of 1% increase in Metallurgical recovery on the NPV of the Project was calculated by simply comparing the NPV results of different recovery rates utilising the DFS Model prepared for the Company's DFS Announcement of 31 March 2014. No other variables in the model have been modified, particularly with regard to any impact the flow sheet enhancements could have on capital and operating costs. It should be noted that the indicated increases in the metallurgical recovery of the Western Zone ore may not be fully achieved for Meknès ore. The Company confirms that all the material assumptions underpinning the release of the DFS Report as announced to the Market on 31 March 2014 continue to apply and have not materially changed.

**FORWARD LOOKING STATEMENTS**

*This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.*