



17 January 2018

ASX CODE: KAS

TIN IS OUR PRIME COMMODITY

LME TIN PRICE (16/01/18)

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 TOWARDS PRODUCTION IN THE KINGDOM OF MOROCCO.

PROJECTS

ACHMMACH TIN PROJECT
BOU EL JAJ TIN PROJECT

CAPITAL STRUCTURE

SHARES ON ISSUE:	1,044M
UNLISTED OPTIONS:	6M
UNLISTED RIGHTS:	50M
CASH @ 30/09/17:	\$5.0M

MAJOR SHAREHOLDERS

PALA INVESTMENTS	21.5%
AFRICAN LION GROUP	13.1%
ACORN CAPITAL	4.8%
TRAXYS	4.2%
THAISARCO	3.1%

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ASX RELEASE

HIGHLY POSITIVE FIRST PHASE ORE SORTING TEST WORK AT ACHMMACH TIN PROJECT

- Confirms potential to increase grades and recoveries, and reduce operating costs
- Final test work results to form part of new, updated DFS due Q2, 2018
- Successful project-scale use of ore sorting technology would deliver significant benefits to project's economics

Kasbah Resources Limited ("Kasbah" or "the Company") is pleased to provide an update on the current Testwork Program at the Achmmach Tin Project (The Project) in Morocco.

As previously announced, Kasbah is assessing the opportunity to utilise ore sorting technology at the front of the Achmmach tin processing plant, in order to potentially significantly increase the grade of ore entering the tin separation processes, increasing tin recoveries, and delivering reduced operating costs. In addition, the Testwork Program includes validation of the use of High Pressure Grinding Rolls (HPGR) and other comminution test works (ASX announcement, 12 December 2107). The Company has not previously considered the use of ore sorting and HPGR technology for the Achmmach project.

Ore sorting is a simple and established pre-concentration process that facilitates 'upgrading' of ore and mineralised material. It has successfully been used in commercial mining operations for more than 25 years in commodities such as tungsten, uranium and diamonds. In the tin sector, ore sorting has been successfully trialled at the Renison Mine in Tasmania and the San Rafael Mine in Peru.

Significant advances have been made in ore sorting technology in recent years, in the areas of high tech sensors and computing capacity, which have expanded its potential adoption in mining operations to reduce the feed tonnage, increase grade and recoveries, and deliver lower operating costs.

Kasbah plans to fully assess the opportunity to utilise ore sorting technology in its processing plant, as its successful adoption would have a major positive impact on the Achmmach Project's economics.

First Phase Ore Sorting Program

Kasbah has sourced two parcels of representative "ore" (including some waste material that would also be mined) from core drilled at the Achmmach project site and delivered them to Australia for testing at two suppliers of ore sorting equipment.

The two “sighting” tests undertaken at both suppliers’ facilities have been successful and as a result a bulk sample of 2 tonnes from Acmmach will now be undertaken. The ore for the bulk sample has already been sourced from the Project, and it is due to commence in late January.

An example of the testwork undertaken by Kasbah is shown below (Image 1). The image on the left (grey/black/white) is the “raw” XRT image direct from the ore sorting sensors in the machine. This image has algorithms and classifiers applied to produce the coloured image on the right. The cassiterite (tin ore) in the samples shows up as black with the host rock showing up as red. As can be seen from the images there is excellent correlation with the cassiterite.



Image 1: Raw XRT image on left shows distinctive cassiterite veining. Classified image on left shows tin as black and host rock as red.

CEO Russell Clark, commenting on the test work said: *“This technology has not been tested before for the Achmmach ore. The initial findings are very positive, indicating that ore sorting has great potential to have a significant beneficial impact on the project. Ore sorting has the potential to increase the grade of the tin ore as it goes into the main processing plant and increase tin recoveries, and may also reduce the size of plant needed as waste rock would be eliminated from the process early on, thereby improving the overall economic viability of the project. The testing program, which includes validations of the use of High Pressure Grinding Rolls (HPGR) and other comminution test works, is ongoing and will be incorporated in to a new, updated Definitive Feasibility Study, expected to be completed in the second quarter of 2018.”*

ENDS

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