



30 January 2018

ASX CODE: KAS

TIN IS OUR PRIME COMMODITY

LME TIN PRICE (26/01/18)

US\$22,000 / 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 @ 31/12/17:	\$3.1M

MAJOR SHAREHOLDERS

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

CONTACT US

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🌐: www.kasbahresources.com

DECEMBER 2017 QUARTERLY REPORT

"The December quarter focused on progressing the Company's test work program at the Achmmach Tin Project, with initial results indicating the potential to deliver significant benefits to the Project's economics, to be reflected in the forthcoming 2017 DFS. The Company also successfully completed its board restructure and established an unmarketable parcel share sale facility."

December 2017 quarter highlights

- **Test-work progressed on Project enhancement opportunities;** including ore sorting, grinding, comminution and a review of the site layout and infrastructure. Final test-work results will feed into a new, updated Definitive Feasibility Study due in H1, 2018.
- **Successful first phase ore sorting tests;** tests conducted by two suppliers confirmed the potential for ore sorting to increase the tin grades and recoveries, and reduce unit costs and the overall processing plant size. Based on positive results, a 2-tonne bulk sample of Achmmach ore will be tested in the current quarter.
- **Board restructure process successfully completed with the appointment of Mr Graham Ehm as a third Independent Non-Executive Director;** Mr Ehm is a highly experienced senior resource sector executive and his appointment significantly enhances Kasbah's project delivery and operational expertise.
- **Tin price remained stable during the quarter and outlook remains positive;** the average LME monthly price of tin in the quarter ranged from US\$19,424 to US\$20,449. From the beginning of 2018 to January 26, 2018, the LME cash price increased by 10.8% to US\$22,000. LME stocks of tin remain at very low levels of approximately 2,000 tonnes.
- **Unmarketable Parcel Sale Facility established;** facilitates holders of unmarketable parcels of fully paid ordinary shares in Kasbah to sell their shares without incurring brokerage or transaction costs.
- **Legal proceedings commenced against BDO Corporate Finance WA Pty Ltd;** a series of claims were filed in December associated with BDO's role as Independent Expert during the failed AMR scheme of arrangement in 2016.
- **Company exercised its option to extend the maturity date of a loan from Pala Investment for a further six months from December 31, 2017 to June 30, 2018.**
- **Company completed a review of its exploration portfolio;** Company has decided to divest the Tamlalt Gold Project in northern Morocco, and is in negotiations with a number of interested parties.

DECEMBER QUARTERLY REPORT

Kasbah Resources Limited (“**Kasbah**” or “**the Company**”) is pleased to provide this update to the market for the quarter ending 31 December 2017.

ACHMMACH TIN PROJECT IN MOROCCO

Achmmach 2017 Definitive Feasibility Study

Kasbah continues to progress the 2017 Definitive Feasibility Study (“**DFS**”) through initiatives to de-risk the project and improve project economics. As previously announced, Kasbah is undertaking a test work program to validate the use of Ore Sorting, High Pressure Grinding Rolls (“**HPGR**”) and including other comminution test works (ASX announcement, 12 December 2017). The Company has not previously considered the more recently refined application of ore sorting and HPGR technology for the Achmmach project, which has the potential to deliver a significant positive impact on the project’s economics.

The first phase of the test work was the assessment of the viability of ore sorting technology as it pertains to the Achmmach ore. Initial sighting tests have returned very encouraging results and as a consequence a bulk sample of 2 tonnes of representative Achmmach ore will be tested in Q1 2018. Following this, a detailed test work program has been developed to test HPGR, comminution and concentrate upgrading opportunities (ASX announcement, 17 January 2018).

The test work program will be completed, and following a review and optimisation of the processing plant by Lycopodium ADP, an updated DFS will be produced in H1, 2018.

In addition to the main workstreams related to the technical parameters of the project, Kasbah has also developed an engagement strategy in order to evaluate possible tax concessions and other non-fiscal incentives available from the Moroccan government.

About Ore Sorting

Kasbah is assessing the opportunity to utilise modern ore sorting technology at the front of the Achmmach tin processing plant, with the potential to significantly increase the grade of ore entering the tin separation processes, increasing tin recoveries, and delivering reduced capital and operating costs.

Ore sorting is an established pre-concentration process that facilitates ‘upgrading’ of ore and mineralised material. In simple terms, a sensor assesses crushed material as it passes on a belt and uses air blasts to remove material identified as waste. 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 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

The ore sorting test work commenced with a preliminary “sighting” test to determine if the Achmmach ore is amenable to modern ore sorting technology. In December 2017, Kasbah sourced two parcels of representative “ore” (which included 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 the suppliers’ facilities have been successful with the sensors used clearly recognising the difference between cassiterite bearing rock and rock that is barren of mineralisation, indicating that Achmmach ore is suitable for ore sorting prior to treatment. As a result, a bulk sample of 2 tonnes from Achmmach will now be tested through an ore sorting machine in January 2018.

EXPLORATION

Kasbah holds a number of 100% owned tin exploration prospects throughout central Morocco (Bou El Jaj, Zaer, Ment and Sofz). In addition to these tin exploration prospects, Kasbah owns the Tamlalt Project (100%), a gold prospect in north eastern Morocco.

In Q4 2017 the Company undertook a review of its exploration prospects, including the Tamlalt Gold prospect. Following this review, and recognising the value of the Achmmach project and the resources required to develop the Project, the Company has confirmed its intention to divest Tamlalt wholly or in part to achieve the best outcome for shareholders.

Kasbah has received interest from a number of parties regarding the Tamlalt project. During Q1, the Company will progress discussions with these parties to finalise a commercial outcome and remains open to additional expressions of interest.

CORPORATE

Independent Non-Executive Director recruited, establishing an Independent Board

During the quarter the Board concluded its search for an additional Independent Non-Executive Director for the Company. The appointment of Mr Graham Ehm on January 22, 2018 fulfils Kasbah’s commitment to have a majority of Independent Non-Executive Directors on its Board in line with ASX Corporate Governance Principles.

Mr Ehm is a qualified metallurgist and a highly experienced and successful resource sector executive with more than 40 years of diverse experience in mine operations and project management, covering the nickel, phosphate, copper, uranium and gold sectors. He has forged a long and successful career with major global gold miner, AngloGold Ashanti Ltd. and is currently Executive Vice President for Group Planning and Technical. Prior to this appointment in 2013 Mr Ehm served as Executive Vice President of Australasia overseeing the development of the Tropicana Gold Mine in Western Australia.

Previous senior roles with AngloGold Ashanti include Executive Vice President of Tanzania Operations, General Manager - Sunrise Dam Gold Mine, Project Manager - Union Reefs Gold Mine and Project Manager - Boddington Gold Mine.

Mr Ehm is also a Non-Executive Director of Mining3 (previously CRC Mining) and has also served as Non-Executive Director of the Minerals Council of Australia. The existing directors of Kasbah are delighted to welcome him to the Board, with Mr Ehm’s skillset bolstering the Company’s project delivery and operational capabilities.

Establishment of an Unmarketable Parcel Sale Facility

During the quarter Kasbah established an Unmarketable Parcel (“UMP”) Sale Facility for holders of parcels of fully paid ordinary shares (“Shares”) in the Company valued at less than A\$500 (each an Unmarketable Parcel). Kasbah will pay all costs and expenses arising in connection with the UMP Facility and organise remittance of sale proceeds to Unmarketable Parcel holders who take advantage of the UMP Facility. By making the UMP Facility available, Kasbah expects to reduce the administrative costs associated with maintaining the Unmarketable Parcels.

The UMP Facility is open to Unmarketable Parcel Shareholders, recorded on Kasbah’s register of members (Register) as at December 14, 2017 (Record Date). As at the Record Date, an Unmarketable Parcel is any shareholding of 35,714 shares or less. This is based on the ASX closing price of \$0.014 (1.4 cents) per share and represents a total of 23,918,297 shares held by 2,048 Shareholders.

An indicative timetable in relation to the UMP Facility is provided below:

Event	Date
Record Date	7.00 pm (AEDT) 14 December 2017
Unmarketable Parcel Facility Announcement to ASX	18 December 2017
Letter sent to Unmarketable Parcel Shareholders	18 December 2017
Closing date for the receipt of the Retention Notice	5:00 pm (AEDT) 31 January 2018
Final letter sent to Unmarketable Parcel Shareholders	5 February 2018
Selling of Unmarketable Parcels Commences	19 February 2018

Extension of Pala Loan Agreement

Pursuant to the terms of the Loan Agreement with Pala Investments Ltd dated August 10, 2016, Kasbah has exercised its option to extend the maturity date under the Loan Agreement for a further six-month period from December 31, 2017 to June 30, 2018.

There are no changes to the provisions of the Loan Agreement other than the change to the maturity date. The key terms and conditions of the Loan Agreement are outlined in the announcement of August 11, 2016.

Results of the Annual General Meeting

Kasbah held its Annual General Meeting on November 24, 2017 in Melbourne. All resolutions put forth to the AGM were passed as outlined in the announcement of November 24, 2017.

Commencement of legal proceedings against BDO Corporate Finance WA Pty Ltd

Following failed attempts to reach a commercial settlement, Kasbah commenced legal proceedings against BDO Corporate Finance WA Pty Ltd in the Supreme Court of Western Australia on December 18, 2017 for a series of claims including breach of contract, negligence and misleading and deceptive conduct associated with BDO’s role as Independent Expert during the failed AMR scheme of arrangement. An appearance has been filed by BDO and it is likely that normal preliminary steps of finalising the pleadings, providing discovery and a court ordered mediation will occur during the first half of 2018. No further details can be provided at this stage of proceedings.

Marketing and investor relation activities

Kasbah has been actively promoting the Company and the Achmmach Project to existing and potential strategic investors as well as financiers, brokers and offtakers, in Australia and the United Kingdom. Kasbah management has attended numerous industry conferences during the quarter, including the 121 Conference in London, the Beer & Co Tin Conference in Melbourne, and the Sydney Tin Conference. Market sentiment is broadly positive with considerable interest and confidence in the Achmmach project and a renewed understanding of the tin market. Kasbah will continue to actively market the Company, the Achmmach Project and the value and outlook for tin in the forthcoming quarters.

FINANCIAL

Cash and debt

Cash and short-term deposits at December 31, 2017 were \$3.1 million.

Debt as at December 31, 2017 was \$1.1 million (the Pala loan maturity was extended to June 30, 2018).

Please refer to the attached Appendix 5B for further information.

TIN MARKET

Prices

Tin prices remained strong over the quarter, averaging US\$19,819/t with a high of US\$21,240/t. January 2018 has seen a strong performance with the tin price increasing 10.8% to US\$22,000/t (January 26, 2018).

ITRI, a tin industry representative body, estimates that the second half of the year may see an increase in tin price as a result of reduced supply from Myanmar and Indonesia.

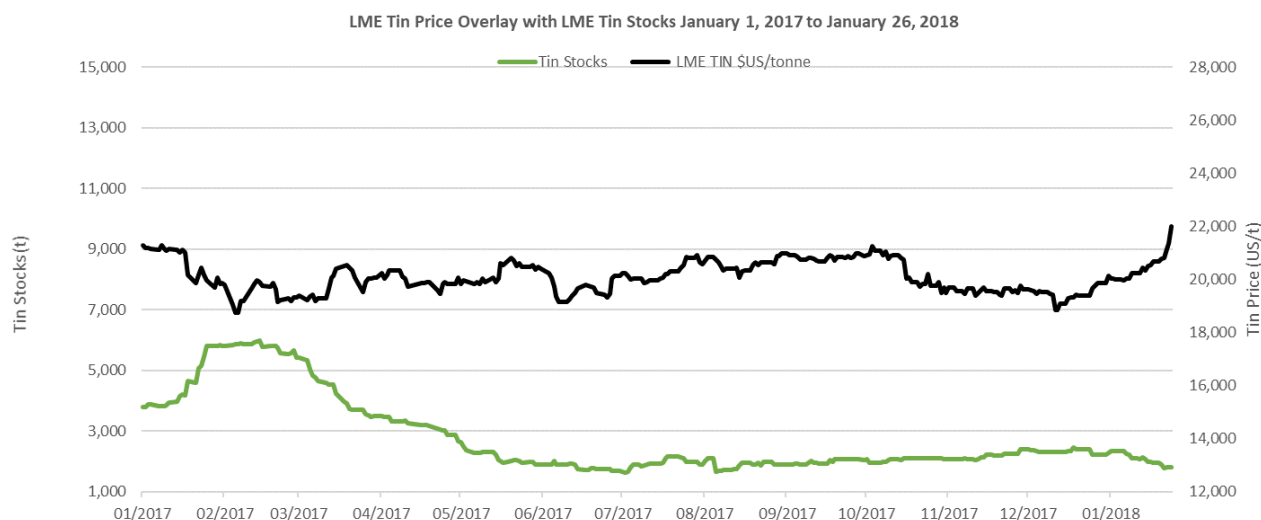


Figure 1: LME Tin Price vs LME Stocks – January 1, 2017 to January 26, 2018

Supply side: lower inventory levels, slowing mine supply

London Metal Exchange (“LME”) stockpiles for tin have continued to decline during the year but ended marginally higher at the end of the quarter (2,235t) compared to the end of the previous quarter (2,070t). 2017 stockpiles were 5,995t at their highest. Current stockpile levels (1,900t @ 24 January 2018) make up less than 1% of annual global demand. ITRI estimates that present global tin mine reserves will last a minimum of 7 years, in the absence of further resource conversion.

Major tin producers in the world include Myanmar, Indonesia, China and Peru. ITRI retains the view that future production from Myanmar is likely to fall on an underlying decline in mining activity, and as easy to mine alluvial deposits are depleted. ITRI expects stricter government regulation of Indonesia's tin industry and long-term production pressures such as grade decline and resource depletion to impact tin production and shipments this year.

Demand side: the positive game changer

A growing use for tin is in semi-conductors. World Semiconductor Trade Statistics expects the semiconductor market to grow in 2018 to US\$437 billion, representing a 7% growth for 2018. Growth in the semiconductor market during 2016 and 2017 has been significant increasing overall tin demand. The outlook for semiconductor growth remains strong. In addition, the trend in energy generation, storage and the switch from hydrocarbons towards sustainables and batteries, paints an attractive outlook for longer term tin demand.

The themes of supply pressure and increasing demand from existing and new technology applications remains firmly in place and supportive of a robust price outlook. Solder remains the likely largest consumer of tin with the miniaturisation of electronics more than offset by the growth of electronic components.

A potential growth and driver of tin price could be the evolving use of Lithium-ion batteries in the electric vehicle/plug-in hybrid electric vehicle (“**EV/PHEV**”) sectors. ITRI estimates that EV/PHEV’s will use four times the amount of tin than traditional vehicles. Tin is used both as solder as well as componentry in EV/PHEV’s.

Macquarie has recently upgraded its electronic vehicle sales projections and now expect EV/PHEV sales to reach 5.0% of global sales (5.55M units) by 2022, from 1.0% in 2016. 2017 EV/PHEV sales rose to 1.1 million, representing an increase of 51% compared to 2016. Sale of EV/PHEV in China grew 72% year on year.

Outlook looks promising

Our view on the outlook for tin remains unchanged. The price outlook remains positive with mine supply continuing to face challenges, and demand continuing to outpace supply resulting in a deficit of tin. This is expected to persist for the medium/longer term, making it increasingly likely that the 2018 deficit will be larger than that seen in 2017. Kasbah believes that the timing of production at Achmmach will coincide with the continuing supply deficit in the market and as a result stands to benefit from an increase in tin price in the medium to long term.

SUBSEQUENT EVENTS

Since the conclusion of the December quarter there have been a number of subsequent events:

- Mr Graham Ehm was appointed as an Independent Non-Executive Director of the Company on January 22, 2018.
- Mr Martyn Buttenshaw, previously the Alternate Director for Mr Steven Gill, replaced Mr Stephen Gill as Pala’s Board representative on January 22, 2018. Mr Gill became the Alternate Director for Mr Buttenshaw.
- Kasbah has formally changed its registered address and principal place of business from Applecross in Perth to Melbourne. The new registered address and principal place of business is:

Level 13, 459 Collins Street
Melbourne VIC 3000

P: +61 (3) 9482 2223

Commenting on the quarter, CEO Russell Clark said:

"It has been a busy quarter for Kasbah. With the new management team in place, our focus was firmly on progressing the Achmmach project. The work we have done to date reaffirms my initial perspective and the opportunities we have identified with ore sorting and HPGR technology could further improve the prize that is ahead of us. We expect to release the updated 2017 DFS in the first half of 2018 and commence developing the project in 2019.

As a company, we are intent on having a robust project with limited and well understood risks and will progressively update the market as we undertake the test work program and eventually release the 2017 DFS. We continue to receive full support and engagement from our JV partners, Toyota Tsusho Corporation and Nittetsu Mining Corporation as well as our cornerstone investors Pala Investments and African Lion.

On the corporate side, we have responded to feedback from our investors and I am thrilled to welcome Graham Ehm to the Kasbah Board. His experience will be instrumental in our current phase of development."



Russell Clark
Chief Executive Officer

For further information please visit
www.kasbahresources.com

Media and Investor Inquiries

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ABOUT KASBAH RESOURCES

Kasbah Resources Limited (Kasbah) is an Australian ASX listed mineral exploration and development company.

Our commodity is tin.

Kasbah has two tin projects (the Achmmach Tin Project and the Bou El Jaj Tin Project) located in the Kingdom of Morocco:

- **Achmmach Tin Project JV in Morocco (75% Kasbah, 20% Toyota Tsusho and 5% Nittetsu Mining)**

Kasbah is the manager and operator of the Achmmach Tin Project JV. Toyota Tsusho Corporation (TTC) and Nittetsu Mining Co. Ltd (NMC) of Japan are Kasbah's strategic development partners in this JV. Achmmach is one of the world's largest and most advanced undeveloped tin projects with low operating costs and located in a mining friendly jurisdiction at the gateway to Europe.

- **Bou El Jaj Tin Project in Morocco (100% Kasbah)**

Kasbah retains a 100% interest in the prospective Bou El Jaj Tin Project. This project is 10km from the Achmmach Tin Project and is an early stage exploration opportunity that could become a satellite ore source for Achmmach. It is currently pre-resource and additional drilling is required on multiple targets within the Bou El Jaj permits.

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.

MINING TENEMENT CHANGES DURING THE QUARTER

Project / Tenements	Location	Permit Number	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
NIL					

FARM-IN / FARM OUT AGREEMENT CHANGES

Project / Tenements	Location	Permit Number	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
NIL					

INTERESTS IN MINING TENEMENTS

Project	Permit Type	Permit Number	Registered Interest
Achmmach	LE	332912	75%*
	PE	193172	75%*
Bou El Jaj	PE	213172	100%
	PE	193313	100%
Tamlalt	PE	223197	100%
	PE	223198	100%
	PE	223199	100%
	PE	223200	100%
	PE	223201	100%
	PE	223202	100%
	PE	223203	100%
	PE	223204	100%
Ezzhiliga (Zaer)	PR	2137996	100%
	PR	2137997	100%
	PR	2137998	100%
	PR	2137999	100%
	PR	2138023	100%
Ment	PR	1939809	100%
	PR	1939821	100%
	PR	1939822	100%
	PR	2138097	100%
	PR	2138099	100%
	PR	2138100	100%
	PR	1940002	100%
	PR	1940003	100%
	PR	1940004	100%
	PR	1940082	100%
	PR	1940095	100%
	PR	1940099	100%

All permits are located in the Kingdom of Morocco.

LEGEND : PE – *Permis Exploitation* PR – *Permis Recherche*

- * The Achmmach Tin Project is 100% owned by Moroccan incorporated Joint Venture Company Atlas Tin SAS. The shareholders of Atlas Tin SAS are Kasbah Resources Limited (75%), Toyota Tsusho Corporation (20%) and Nittetsu Mining Co. Ltd (5%). Kasbah is the Manager and Operator of the Achmmach Tin Project JV.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

KASBAH RESOURCES LIMITED

ABN

78 116 931 705

Quarter ended ("current quarter")

31 DECEMBER 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,025)	(1,503)
(b) development	-	-
(c) production	-	-
(d) staff costs	(523)	(1,238)
(e) administration and corporate costs	(545)	(828)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	33	51
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,060)	(3,518)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(13)	(23)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (refund of bank guarantees)	(84)	(84)
2.6	Net cash from / (used in) investing activities	(97)	(107)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	4,984
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(403)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	30	30
3.8	Dividends paid	-	-
3.9	Other (transactions with non-controlling interests)	217	354
3.10	Net cash from / (used in) financing activities	247	4,965

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,971	1,721
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,060)	(3,518)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(97)	(107)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	247	4,965
4.5	Effect of movement in exchange rates on cash held	7	7
4.6	Cash and cash equivalents at end of period	3,068	3,068

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	307	370
5.2 Call deposits	2,345	4,045
5.3 Bank overdrafts	-	-
5.4 Other (provide details) – Cash held in Morocco	416	556
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,068	4,971

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
23
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,000	1,000
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The loan from Pala Investments Limited was drawn down in two tranches of \$500,000 in August 2016 and November 2016 to provide working capital for the Company. The loan is secured against the assets of Kasbah Resources Limited other than Kasbah's interest in the Atlas Tin Project joint venture (which requires the consent of the other joint venture parties pursuant to the terms of the Atlas Tin Shareholders Agreement), with interest charged at 12% per annum. Repayment of the loan was due on or before 10 August 2017 however on 18 December 2016, Kasbah and Pala agreed to extend the maturity of the loan, at no penalty to 31 December 2017. Kasbah has elected to extend the maturity for a further 6 months (to 30 June 2018) with a payment of \$30,000 pursuant to the terms of the debt agreement.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	802
9.2 Development	-
9.3 Production	-
9.4 Staff costs	438
9.5 Administration and corporate costs	234
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,474

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10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: 30 January 2018

Print name: Keith Pollocks

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.