



TSX: KRI

## Khan Files First Quarter 2012 Financial Results

**TORONTO, ONTARIO, Canada, March 9, 2012** – Khan Resources Inc. (TSX:KRI) ("**Khan**" or "**the Company**") announced today that it has filed its financial statements and management's discussion and analysis for the three months ended December 31, 2011 on SEDAR and has posted these documents to its website [www.khanresources.com](http://www.khanresources.com).

Highlights for the quarter include:

- The Company's interim financial statements have been prepared for the first time in accordance with IFRS and in Canadian dollars. Comparative statements, previously prepared in US\$ under Canadian Generally Accepted Accounting Principles ("GAAP"), have been adjusted for changes in the functional and reporting currencies of the Company and its subsidiaries and other IFRS adjustments.
- The net loss for the three month period ended December 31, 2011 was \$932,000 or \$0.02 per share compared to a net loss of \$300,000 or \$0.01 per share for the same period in 2010.
- Activities related to the International Arbitration action against the Government of Mongolia were lower for the three month period ending December 31, 2011 following the hearing held in September, 2011 on scheduling and procedural matters. Activities have now resumed to a high level in this current second quarter as submissions to the Arbitration Tribunal are required in advance of the jurisdictional hearing scheduled for May, 2012. An eight binder submission in support of the Company's position on jurisdictional matters was made to the Tribunal on February 3, 2012. The Company remains confident of a favourable outcome to the arbitration action.
- On October 31, 2011, the Company announced that it had obtained an order of the Ontario Superior Court of Justice validating service on Atomredmetzoloto JSC ("ARMZ") in respect of its \$300 million lawsuit against that company. ARMZ appealed the decision and the appeal was heard on January 24, 2012. The parties are now awaiting the decision of the appeal court.
- Khan holds 15.5 million common shares of Macusani Yellowcake Inc. ("Macusani") which represents 14.4% of the 107.8 million Macusani common shares outstanding. On February 3, 2012, Macusani announced that they had entered into a merger agreement with Southern Andes Energy Inc. ("Southern Andes") pursuant to which Macusani will acquire all of the outstanding common shares of Southern Andes. The proposed merger is subject to the approval of Macusani shareholders. The proposed merger will increase the number of Macusani common shares to 169.8 million, reducing Khan's interest in Macusani to 9.2%. Khan intends to vote its shareholding in Macusani against the proposed merger due to substantial dilution of its interest without clear benefits.
- In January, 2012, the Company announced that it had received an information request from the Toronto Stock Exchange ("TSX") in respect of whether or not the Company continues to meet the

listing requirements of that exchange. The Company has not yet received a formal response from the TSX but anticipates that the exchange will render a narrow interpretation of its rules and guidelines. As such, the Company has initiated detailed discussions for listing on an alternate exchange to pursue an orderly transition.

**Khan Resources Inc.** is a Canadian company engaged in the acquisition, exploration and development of uranium properties. Its current activities are focused on the Dornod uranium property in north-eastern Mongolia.

### **Forward-Looking Statements and Information**

This press release may contain forward-looking statements and forward-looking information, which are subject to certain risks, uncertainties and assumptions. Forward-looking statements and information are characterized by words such as "will", "plan", "expect", "project", "intend", "believe", "anticipate", "forecast", "schedule", "estimate" and similar expressions, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements and information are not historical facts and are based upon a number of estimates and assumptions and are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors, including the impact of international, Mongolian and Canadian laws, trade agreements and regulatory requirements on Khan's business, properties, licenses, operations and capital structure, Khan's ability to re-instate or re-register the Dornod uranium project licenses, regulatory uncertainty and obtaining governmental and regulatory approvals, legislative, political, social, regulatory and economic developments or changes in jurisdictions in which Khan carries on business, the nature and outcome of pending and future litigation, arbitration and other legal proceedings, the speculative nature of exploration and development, risks involved in the exploration, development and mining business, changes in market conditions, changes or disruptions in the securities markets and market fluctuations in prices for Khan securities, the existence of third parties interested in purchasing some or all of the common shares or Khan's assets, the method of funding and availability of any potential alternative strategic transactions involving Khan or its assets, including those transactions that may produce strategic value to shareholders, the need to obtain, maintain and/or re-register licenses and permits and comply with national and international laws, regulations, treaties or other similar requirements, and uncertainty in the estimation of mineral reserves and resources. In addition, a number of other factors could cause actual results to differ materially from the results discussed in such statements and information, and there is no assurance that actual results will be consistent with them. For further details, reference is made to the risk factors discussed or referred to in Khan's annual and interim management's discussion and analyses and Annual Information Form on file with the Canadian securities regulatory authorities and available on SEDAR at [www.sedar.com](http://www.sedar.com). Such forward-looking statements and information are made or given as at the date of this news release, and Khan assumes no obligation to update or revise them, either publicly or otherwise, to reflect new events, information or circumstances, except as may be required under applicable securities law.

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