



TSX: KRI

Khan Files First Quarter 2011 Financial Results

TORONTO, ONTARIO, Canada, February 14, 2011 – 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 month period ended December 31, 2010 on SEDAR and has posted these documents to its website www.khanresources.com.

Financial highlights for the quarter include a significant increase in liquidity. As at December 31, 2010, the Company's investment in common shares and warrants of Macusani Yellowcake Inc. had appreciated to US\$8.2 million while cash balances stood at US\$9.4 million. The investment in Macusani Yellowcake has continued to appreciate subsequent to quarter end and currently exceeds US\$14.0 million. Net income for the three month period was US\$34,000 or \$0.0 per share (basic).

Significant developments during the first quarter included the confirmation by the Mongolian courts that the notices received from the Mongolian Nuclear Energy Agency ("NEA") invalidating the Dornod mining and exploration licenses held by Khan were themselves illegal and invalid. Despite these rulings, the NEA has continued to refuse to reregister the licenses to Khan. These actions, amongst others, have resulted in Khan initiating in January 2011 a \$200 million international arbitration suit against the Government of Mongolia for its expropriatory and unlawful treatment of Khan. The Company has appointed its arbitrator and the Government of Mongolia has until February 18, 2011 to appoint theirs. A third arbitrator will then be appointed to chair the tribunal.

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. 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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