



TSX: KRI

Khan Applies to Court Regarding ARMZ Litigation

TORONTO, ONTARIO, Canada, April 12, 2011 – Khan Resources Inc. (TSX:KRI) ("**Khan**") announced today that it has filed materials with the Ontario Superior Court of Justice on a motion by Khan to dispense with or order substitute service on Atomredmetzoloto JSC ("ARMZ") in respect of Khan's \$300 million lawsuit for damages against ARMZ. The motion will be heard by the Court on April 18, 2011.

The application to the Court follows Khan's February 7, 2011 announcement that the Russian Ministry of Justice refused to effect service on ARMZ. The Ministry of Justice cited Article 13 of the Hague Convention that provides that "the State addressed may refuse to comply only if it deems that compliance would infringe its sovereignty or security".

Mr. Grant Edey, President and Chief Executive Officer of Khan, commented "it is unfortunate that, as a company with an increasing presence in the international uranium and nuclear community, ARMZ has resorted to these extraordinary measures to avoid service in a Canadian court action."

Khan intends to continue to vigorously defend its rights and interests, including pursuing all available rights and remedies in Canada and elsewhere.

The Statement of Claim against ARMZ is available on the Company's website www.khanresources.com.

Khan Resources Inc. (TSX:KRI) is a Canadian company engaged in the acquisition, exploration and development of uranium properties. Its current activities are focused on the Dornod area in northeastern Mongolia. Khan holds interests in the Main Dornod Property and in the Additional Dornod Property.

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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