



TSX : KRI

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KHAN RESOURCES INC. ADOPTS SHAREHOLDER RIGHTS PLAN

TORONTO, ONTARIO, SEPTEMBER 18, 2006 – Khan Resources Inc. (TSX: KRI), (“Khan Resources” or the “Corporation”) today announced that its Board of Directors has adopted a Shareholder Rights Plan (the “Rights Plan”).

The Rights Plan has been adopted by the Board of Directors to ensure the fair treatment of shareholders in connection with any take-over offer for the Corporation, and to provide the Board of Directors and shareholders with additional time to consider fully any unsolicited take-over bid. The Rights Plan will also provide the Board of Directors more time to pursue, if appropriate, other alternatives to maximize shareholder value.

The Rights Plan has conditionally been approved by the Toronto Stock Exchange and is subject to approval by shareholders at the next annual meeting of the shareholders of the Corporation. If approved by shareholders, the Rights Plan will have an initial term until the termination of the 2009 annual meeting of the Shareholders of the Corporation.

The Corporation is not adopting the Rights Plan in response to any specific proposal to acquire control of the Corporation. The Rights Plan is similar to plans adopted by other Canadian companies and approved by their shareholders.

The Rights Plan is not intended to prevent take-over bids. The Rights issued under the Rights Plan become exercisable only if a person acquires or announces its intention to acquire 20% or more of the common shares of the Corporation without complying with the “permitted bid” provisions of the Rights Plan or without the approval of Khan Resource’s Board of Directors. Under the Rights Plan, those bids that meet certain requirements intended to protect the interests of all shareholders are deemed to be “Permitted Bids”. Permitted Bids must be made by way of a take-over bid circular prepared in compliance with applicable securities laws and remain open for sixty days.

Under the Rights Plan, Rights have been issued and attached to all common shares of the Corporation issued and outstanding as of the close of business on September 15, 2006. Rights will be issued upon any future issuance of any common shares of the Corporation that occurs prior to the Separation Time (as defined in the Rights Plan).

If a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the Rights will entitle shareholders, other than any shareholder or shareholders making the take-over bid, to purchase additional common shares in the Corporation at a substantial discount to the market value at the time.

A copy of the Rights Plan will be available on SEDAR at www.sedar.com, and can also be obtained from Khan Resources upon a written request.

About Khan Resources Inc.

Khan is a Canadian exploration and development company. Its current activities are focused on the Dornod area in north eastern Mongolia, the site of a former Russian open-pit uranium mine.

This press release may contain forward-looking statements, which are subject to certain risks, uncertainties and assumptions. A number of factors could cause actual results to differ materially from the results discussed in such statements, and there is no assurance that the actual results will be consistent with them. Such forward-looking statements are made as of the date of this news release, and the Company 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 laws.

The TSX VENTURE EXCHANGE has neither approved nor disapproved the contents of this press release.

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