



TSX : KRI

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Khan Resources Announces the Release of a Scoping Study for the Dornod Uranium Project in Mongolia

TORONTO, ONTARIO, NOVEMBER 29, 2006 – Khan Resources Inc. (TSX:KRI) is pleased to announce that it has completed a Scoping Study for the Dornod uranium project in north eastern Mongolia. This study was completed by the Company's Engineering consultants, Aker Kvaerner E & C (AK), and was carried out in conjunction with the recently completed NI 43-101 report by the company's resource consultants, Scott Wilson Roscoe Postle Associates Inc (SWRPA), which was announced in an earlier press release on November 1, 2006.

The indicated resource used in the Scoping Study was 16.5 MM tonnes at an average grade of 0.152% U₃O₈, for 55,400,000 lbs U₃O₈ (as per the SWRPA 43-101 report). Using an initial capital cost of US\$150.3 million, a throughput of 900,000 Mt per year, a mill recovery of 85.9%, a uranium price of US\$43 per lb U₃O₈, and an operating cost per tonne of ore of US\$44.68, this yielded a **17.4 year mine life** with an Internal Rate of Return (**IRR**) of **24.2%**.

A conventional acid leach plant was used in this study and the mining method was under-cut-and-fill.

Martin Quick, President and CEO of Khan stated, "We are confident that we can improve on this already impressive return because – (i) it is likely that a higher throughput will be used in the up-coming pre-feasibility study, (ii) uranium prices are currently above US\$60 per lb U₃O₈ and trending higher, (iii) it is possible that a less expensive mining method will be used, and (iv) we have the opportunity to further increase the resource by more drilling."

Khan indirectly owns approximately 69% of the indicated resource with its partners, the Republic of Mongolia and the Russian company, Priargunsky owning equal shares in the remainder.

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 actual results will be consistent with them. Such forward-looking statements are made as at 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 law.

Qualified Persons:

John Kita P. Eng., Chief Geologist, Khan Resources Inc., Hrayr Agnerian P.Geo., Consulting Geologist at Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA), and Les Heymann P.Eng., Senior Process

Consultant, Aker Kvaerner E&C, are the qualified persons on the project and supervised the preparation of the technical information in this release.

About KHAN:

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. Khan is listed on the Toronto exchange under the symbol **KRI**.

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