



TSX:KRI

Khan Comments on Reported Nuclear Energy Law

TORONTO, ONTARIO, Wednesday, July 22, 2009 – Khan Resources Inc. (TSX:KRI) (“Khan”) today reported that it has received unofficial reports that, in a surprise move last Friday July 17, 2009, the Mongolian parliament passed new legislation which will regulate the nuclear industry in that country including the exploration, development, and mining of uranium. The details of this legislation, called the Nuclear Energy Law, have not been officially released and Khan is attempting to confirm and verify the status and contents of the new law. Khan was not given any warning or opportunity to review, comment on, or make constructive submissions to the members of Parliament before the law was approved.

Khan is supportive of the Government of Mongolia's efforts to develop a regulatory regime for the safe exploitation of radioactive minerals and nuclear energy that complies with international standards as well as the guidelines published by the International Atomic Energy Agency. Khan also understands and supports the interest of the Government and Parliament of Mongolia in ensuring that the people of Mongolia benefit from the exploitation of Mongolia's resources. If reports are accurate, there are a number of positive aspects to the legislation, including transitional provisions dealing with Khan's existing exploration and mining licences. However, Khan is concerned about the lack of transparency in the legislative process, as well as certain aspects of the new law which are unclear and which, if the unofficial reports are accurate, would give the State of Mongolia the ability to take a greater degree of ownership and control over uranium assets in Mongolia than currently exist. The law is reported to become effective on August 15, 2009, unless the President of Mongolia exercises his constitutional right to veto the legislation.

In addition to seeking greater clarity as to the status and content of the new Nuclear Energy Law, Khan intends to officially register its concerns with the Prime Minister and the President of Mongolia about certain reported aspects of the Nuclear Energy Law, and to request a meeting with the Prime Minister and others to discuss these concerns. Khan has also discussed its concerns with the Canadian Ambassador to Mongolia, and intends to speak with other mining companies doing business in Mongolia.

Further details will be provided once an official copy of the Nuclear Energy Law becomes available and Khan is able to obtain official details concerning the status of this law.

Forward-Looking Statements

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 Khan Resources 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.

***Khan Resources (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 north eastern Mongolia, the site of a former Russian open-pit uranium mine. Khan holds interests in the Main Dornod Property, licensed for mining, and in the Additional Dornod Property, licensed for exploration. The Company's website is www.khanresources.com.*

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