



TSX:KRI

Khan Announces Organizational Changes and Update on Legal Actions

TORONTO, ONTARIO, June 22, 2010 – Khan Resources Inc. (TSX:KRI) (“Khan” or the “Company”) announced today key organizational changes, as well as an important update about legal actions it is pursuing in the fight to protect its interests in Mongolia and to preserve and enhance value for its shareholders.

Organizational Changes

Effective June 25, 2010, Mr. Martin Quick will retire as President and Chief Executive Officer to pursue personal interests and spend more time with his family, but will remain as a director of the Company. He will be replaced on an interim basis by Mr. Grant Edey who is currently a director and Chair of the Special and Audit and Finance Committees of the Company. Also, Msrs. Peter J. Hooper and Steven W. Harapiak have resigned from the Board of Directors and Msrs. Marc Henderson and Raffi Babikian have been appointed as directors to fill the vacancies created by the resignations.

Mr. James Doak, Chairman of the Board of Directors of Khan commented “We are very sorry to lose the leadership of our CEO, Martin Quick, and we wish him the very best in his retirement. Mr. Quick has performed an outstanding job under very difficult and frustrating circumstances during the past 4½ years. We are happy, however, to welcome his replacement, Grant Edey, who as Chair of the Special Committee of the Board is not only well versed in the issues facing Khan but also brings a wealth of experience in senior resource management with over 30 years primarily in the mining industry. Mr. Quick was originally planning to retire at the end of last year but, at my request, agreed to stay on to continue providing leadership and direction during the recent take-over bids by ARMZ and CNNC and in our pursuit of other strategic opportunities (see previous press releases dated December 15, 2009 and February 1, 2010), and we are most pleased that he has agreed to remain on as a director of the Company”. Mr. Doak also stated that “It is regrettable to lose the services of two of our Board members, Peter Hooper and Steve Harapiak, whose experience, support and guidance have been invaluable to this Company. They will be missed and we wish them well in their future endeavours.

At the same time, we are very pleased to announce the addition of two new Board members, Msrs. Marc Henderson and Raffi Babikian, whose experience and reputation will add a fresh infusion to the Board’s challenges and dealings as we continue to move forward.” Mr. Henderson is the President and CEO and a director of Laramide Resources Ltd., a Toronto-based resource company specializing in the acquisition, discovery and development of uranium projects and Khan’s single largest shareholder holding approximately 13% of Khan’s outstanding shares. Mr. Henderson has more than 20 years of experience running junior mining companies and has served as president of a number of public companies, including serving as President of Laramide and Aquiline Resources Inc. since 1995. Mr. Babikian is a corporate finance and marketing advisor to global uranium mining companies. He was previously Vice-President, Investment Banking at Dundee Securities, where he was responsible for the firm’s uranium mining practice. Raffi began his professional career at AREVA SA, the world’s leading nuclear fuel cycle company, at the company’s headquarters in Paris, France. His first responsibilities there involved evaluating growth opportunities for the company’s reprocessing/recycling business. He subsequently

joined Areva's Uranium Mining Business unit, working to identify, evaluate and implement merger and acquisition opportunities and associated marketing strategies. Mr. Babikian has a Bachelor of Engineering from McGill University, a MSc. from MIT, and an MBA from the Collège des Ingénieurs in Paris.

Legal Actions and Ongoing Review

The Company also announced that it has broadened the legal actions it will initiate to recover damages and other remedies in respect of the illegal expropriation of its licenses in Mongolia and other unlawful, unfair and discriminatory actions taken by the Government of Mongolia and, in particular, the Nuclear Energy Agency of Mongolia (the "NEA"). Khan has retained the Washington D.C. law firm of Crowell & Moring LLP to commence international arbitration proceedings against the Government of Mongolia, and the necessary legal work to initiate proceedings on Khan's behalf has begun. Khan believes that it has a strong case and intends to seek a substantial damages award that reflects the significant value that Khan has created in the Dornod Uranium Project, as demonstrated by the Definitive Feasibility Study completed in March 2009. As previously disclosed, the Definitive Feasibility Study estimated an after-tax value for the Dornod Uranium Project of US\$276 million (using a 10% discount rate), of which approximately \$189.3 million is attributable to Khan based on its current ownership position in the project. As previously disclosed, the Company's Mongolian subsidiaries through which the licenses are held had also previously filed claims in the Mongolian courts challenging the legal basis for the purported license invalidations by the NEA. The relevant Court has accepted the filing of these claims and the proceedings are ongoing.

Khan has also engaged counsel to carefully examine the conduct and influence of the parties who have been involved in, and have benefited from, the recent events which have affected Khan's interests in Mongolia. Mr. Edey commented "Khan will be looking very closely at all necessary means to defend its interests and seek recuperation from those who have caused damage to its rights".

Khan and its legal counsel intend to vigorously defend its rights and interests, including pursuing all available rights and remedies in Canada, Mongolia and elsewhere, as necessary.

The Board of Directors of Khan is also actively engaged in identifying potential strategic opportunities that may be in the best interests of Khan and its shareholders, including possible investments in projects outside of Mongolia.

The Company is sufficiently well funded, with no debt, and is therefore well equipped to continue its activities in Mongolia, as well as pursuing the legal and strategic activities mentioned above.

Khan will provide further updates as more information becomes available.

***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, the site of a former Russian open-pit uranium mine. Khan holds interests in the Main Dornod Property and in the Additional Dornod Property. Khan's website is www.khanresources.com.*

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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