



**TSX : KRI**

## **URANIUM PROJECT-RELATED COOPERATION WITH WESTERN**

TORONTO, ONTARIO, OCTOBER 3, 2007 – Senior management of Khan Resources Inc. ("Khan") and Western Prospector Group Ltd. ("Western") met recently in Ulaanbaatar for the purposes of discussing government-related issues and the mutual benefits of a closer cooperation as Khan and Western move their uranium projects towards production decisions.

Khan and Western have commenced assessment of the potential economic benefits of infrastructure sharing at the Saddle Hills uranium camp. Khan and Western have jointly engaged Aker Kvaerner to provide a preliminary evaluation of the viability of shared production infrastructure and support facilities. Results of this study are expected within 2 or 3 months.

Khan has a 58% joint venture share of the Dornod uranium deposit, as well as a 100% ownership of an adjoining license area, and Western owns 100% of the Gurvanbulag uranium deposit. The Dornod and Gurvanbulag deposits are located approximately 40 kilometres from each other in the Mardai - Saddle Hills area of the Dornod Province in north eastern Mongolia.

*Khan Resources (TSX:KRI) is a Canadian acquisition, exploration and uranium 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 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](http://www.khanresources.com).*

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