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31 July 2009

Centralised Company Announcements Platform
Australian Stock Exchange
10th floor, 20 Bond Street
Sydney NSW 2000

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 30 JUNE 2009

Please find attached the Quarterly Activities and Appendix 5B Quarterly cashflow reports for the quarter ended June 30, 2009.

Yours faithfully

A handwritten signature in grey ink, appearing to read "Richard Monti", is positioned below the "Yours faithfully" text.

Richard Monti
Executive Director



ASX Release

July 31, 2009

TRANSIT HOLDINGS LTD

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Company Secretary

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Directors:

Ananda Kathiravelu - Chairman
Richard Monti
John Ceccon

Issued Capital:

31,625,000 Ordinary Shares
1,000 Class A Converting Shares
2,000 Class B Converting Shares
3,000 Class C Converting Shares
10,666,666 Listed Options
4,250,000 Unlisted Options

ASX Code:

TRH
THRO

QUARTERLY ACTIVITIES REPORT

FOR THREE MONTHS ENDED
30 JUNE 2009

Highlights

- ❖ Permitting work continues at Paradox Basin Potash Project
- ❖ Preparation for Scoping Study nears completion
- ❖ Gravity survey commenced at Johnston Range
- ❖ Cash position of \$2.9m

Overview

The board of Transit Holdings Ltd ("Transit") is pleased to present its quarterly activities report for the quarter ended 30 June 2009.

PARADOX BASIN POTASH PROJECT

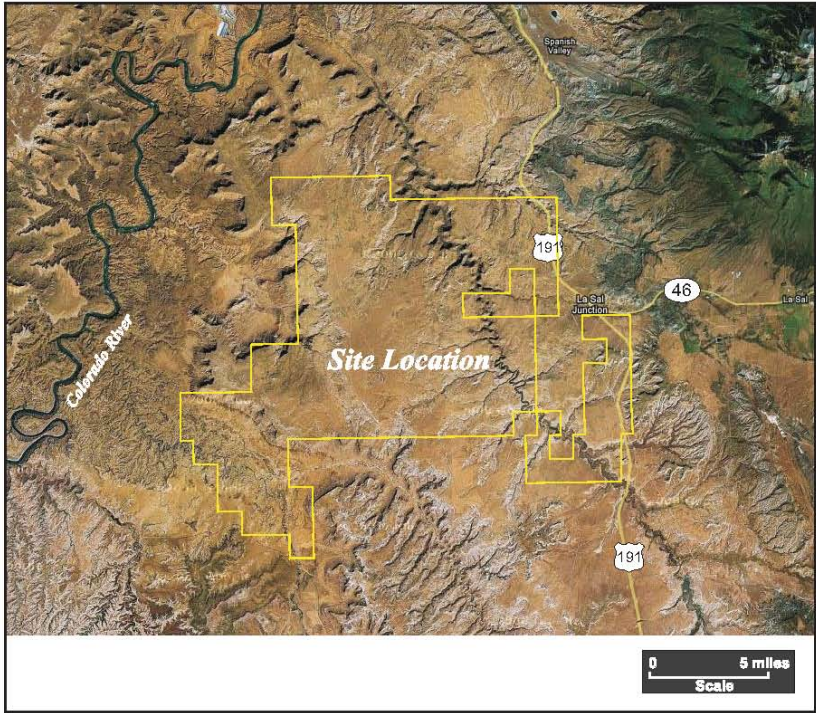
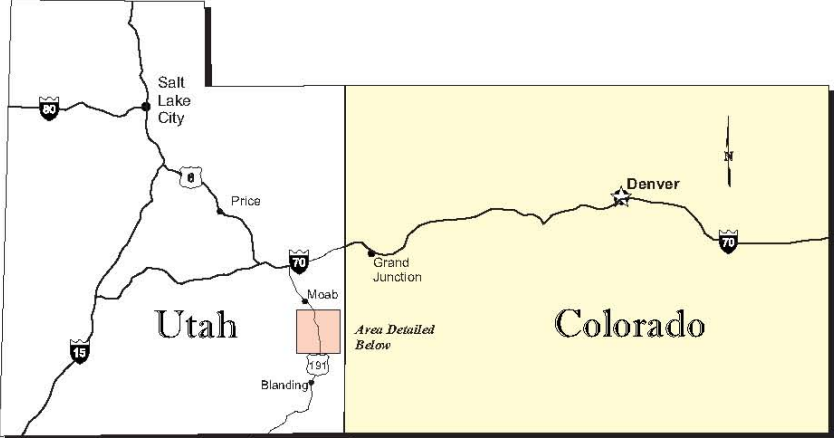
Transit continued to progress work on the Paradox Basin Potash Project, Utah USA. Transit is currently earning a 75% interest in the Project which comprises potash mineralisation in two beds of interest, Potash 13 and Potash 18, ranging in depth from approximately 1,000 to 2,000 meters below the surface.

The Exploration Target range for Potash 13 is 0.9 to 1.3 billion tonnes of sylvinitic (potassium chloride-rich potash ore) at an average grade of 16 to 24% KCl.

The Exploration Target range for Potash 18 is 1.6 to 2.5 billion tonnes of sylvinitic at an average grade of 21% to 30% KCl.

This amounts to an overall Exploration Target range for the two Potash beds of 2.5 to 3.8 billion tonnes of sylvinitic at an average grade of 19 to 28% KCl (12 to 18% K₂O).

The Exploration Target assumes a grade-thickness cutoff of 20% K₂O-m (grade by thickness), below which mineralisation is excluded from the estimate. The Exploration Target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the determination of a Mineral Resource under the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code (2004). The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.



091-01 Transit Holdings [Utah-Colo-Transit Holdings.cdf] (12-23-2008)

Figure 2-1. Paradox Basin Potash Project Location

Permitting

Transit has completed a significant amount of work on the permit approval process during the Quarter. Permitting in the United States on federal land administered by the Bureau of Land Management (“BLM”) is a time consuming process. Significant progress has been made and we remain on track to achieve permit approval. Our ongoing meetings with the BLM staff in Moab and Salt Lake City have been very constructive and we have received positive feedback from the BLM officers involved.

Scoping Study

We have assembled an experienced team of experts to assist us with the Paradox Basin Potash Project. The team has identified the critical success factors for the project and planned the work required to complete a scoping study in conjunction with the permitting approval process.

In particular, we have engaged Agapito Associates to assist us with the geological and mining aspects of the proposed scoping study. Agapito Associates is a geo-engineering and mining engineering consulting firm with specialist experience in potash exploration and mine development, including working on Potash One Inc’s recently completed prefeasibility study. Carlos Perucca will manage potash process engineering and plant modelling. Mr Perucca has over 15 years experience in potash processing, including early work at the Potassio Rio Colorado project in Argentina. On permitting, we are utilising the services of Jim Kohler in Salt Lake City. Jim previously worked at the BLM for over 25 years before starting his own consultancy practice. Jim knows the processes and procedures of the BLM intimately and his experience will be invaluable during the prospecting permit approval process and the mine permitting process. We are also utilizing the services of Bob Bayer and his associates at JBR Environmental Consultants. JBR Environmental Consultants is a leader in natural resource management and environmental science with 10 offices and over 120 staff in the western United States.

ProMet Engineers have submitted a proposal to Transit to prepare the scoping study. ProMet Engineers is a leading firm that provides project management, project development and feasibility study work as well as process plant design and engineering services. ProMet Engineers have proposed to use their personnel based in Arizona to manage the project and have also sub-contracted Terry McNulty, an experienced mineral processing and chemical engineer with extensive potash mine experience with Kerr-McGee Chemical Corporations, to assist with the scoping study.

JOHNSTON RANGE IRON ORE PROJECT

Transit has commenced a gravity survey covering a number of key targets within its Johnston Range Iron Ore Project. The survey is designed to identify potential haematite deposits within the extensive Banded Iron Formations (BIF) which do not crop out at surface. The survey is being managed by Southern Geoscience Consultants and will consist of approximately 32,000 stations on a 200m x 100m grid covering over 20km strike length of the prospective BIF horizons.

Corporate

Transit’s cash position at 30 June 2009 was \$2.9 million.

ASX Announcements

The Company made the following announcements during the quarter.

Date	Headline
29/07/2009	Shareholder Newsletter
22/06/2009	Becoming a substantial holder
22/06/2009	Change of Director`s Interest Notice
9/06/2009	Change of Director`s Interest Notice
2/06/2009	Change of Director`s Interest Notice
26/05/2009	Change of Director`s Interest Notice
30/04/2009	Quarterly Activities and Cash flow Report

The information set out above that relates to is based on information prepared by Dr Michael P. Hardy, who is a Senior Consultant with Agapito Associates, Inc. Mr. Hardy is a Registered Member of The Society of Mining, Metallurgy, and Exploration (SME), a Recognised Overseas Professional Organisation and is employed by Agapito associates Inc who is a consultant to the Company. Mr Hardy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Hardy consents to the inclusion in this ASX Release of the matters based on his information in the form and context in which it appears in the Exploration Target estimate report.

The information in this report that relates to exploration results, mineral resources or ore reserves other that which relates to Exploration Results is based on information compiled by Mr Richard Monti who is a Director of the company and is a member of the Australasian Institute of Mining and Metallurgy. Mr Monti has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Monti consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Transit Holdings Ltd

ABN

121 184 316

Quarter ended ("current quarter")

30 June 2009

Consolidated statement of cash flows

Cash flows related to operating activities

- 1.1 Receipts from product sales and related debtors
- 1.2 Payments for (a) exploration and evaluation
(b) development
(c) production
(d) administration
- 1.3 Dividends received
- 1.4 Interest and other items of a similar nature received
- 1.5 Interest and other costs of finance paid
- 1.6 Income taxes paid
- 1.7 Other (provide details if material)

	Current quarter \$A'000	Year to date (12 months) \$A'000
	(155)	(570)
	(78)	(333)
	29	238
	(204)	(665)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	- - -	- - -
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	80 - -	80 1
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other - Due Diligence costs - Net cash paid on acquisition	- -	(116) (130)
	80	(165)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(124)	(830)

1.13	Total operating and investing cash flows (brought forward)	(124)	(830)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other - Capital Raising Costs	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(124)	(830)
1.20	Cash at beginning of quarter/year to date	3,059	3,765
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,935	2,935

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	79
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

The amount above includes all payments to Directors and also includes payments to a company associated with Richard Monti. The payments relate to the provision of consulting fees, company secretarial services, accounting and bookkeeping, secretarial services and the provision office accommodation on commercial terms. Some of the payments relate to prior quarters.

Non-cash financing and investing activities

2.1

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,935	3,059
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,935	3,059

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description) (Converting shares)	1,000 Class A Converting Shares	-	Nil	Nil
	2,000 Class B Converting Shares	-	Nil	Nil
	3,000 Class C Converting Shares	-	Nil	Nil
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy- backs, redemptions				
7.3 +Ordinary securities	31,625,000	31,625,000		
7.4 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy- backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	10,666,666	10,666,666	<i>Exercise price</i> 25 cents	<i>Exercise date</i> 31/12/09
	1,500,000	-	25 cents	31/12/09
	2,000,000	-	25 cents	31/12/09
	500,000	-	25 cents	31/01/10
	250,000	-	35 cents	31/01/11
<i>Total</i>	14,916,666			
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 31 July 2009

(Director/Company secretary)

Print name: Morgan Barron

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.