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29 July 2010

Centralised Company Announcements Platform
Australian Stock Exchange
Exchange Centre, 20 Bridge Street
Sydney NSW 2000

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 30 JUNE 2010

Please find attached the Quarterly Activities and Appendix 5B Quarterly Cashflow reports for the quarter ended June 30, 2010.

Yours faithfully,

A handwritten signature in black ink, consisting of a large, stylized 'H' and 'C' followed by a long horizontal stroke, positioned above a solid horizontal line.

Hugh Callaghan
Chief Executive Officer



ASX Release

July 29, 2010

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Directors:
Ananda Kathiravelu - Chairman
Richard Monti
Brian Thomas

Issued Capital:
45,381,224 Ordinary Shares
1,000 Class A Converting Shares
2,000 Class B Converting Shares
3,000 Class C Converting Shares
5,500,000 Unlisted Options

ASX Code:
TRH

QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 30 JUNE 2010

Highlights

- ❖ The Paradox Basin Potash Project commenced a 2D Seismic study to be completed in the September quarter
- ❖ The Paradox Basin Potash Project successfully lodged an application for additional Federal Leases and has lodged a Right of Way application to access State Lease blocks
- ❖ Reinterpretation of previous drilling shows highly encouraging results at the Johnston Range Iron Ore project in Western Australia. The company continues to assess the project in order to maximize shareholder value.
- ❖ Cash position of \$4.6m

Overview

The board of Transit Holdings Ltd ("Transit") is pleased to present its quarterly activities report for the quarter ended 30 June 2010. During the reporting period there has been significant progress at both of the Company's major projects.

At Transit's Paradox Basin Potash Project in the Paradox Basin in south eastern Utah, USA, the Company continues to progress preparatory work for permitting and drilling. Importantly, ongoing modeling of the known potash mineralisation demonstrates continuity to the South of both grade and thickness of the known potash beds. Transit will be reporting back to shareholders on the results of seismic studies and the outcome of a number of applications processes currently underway.

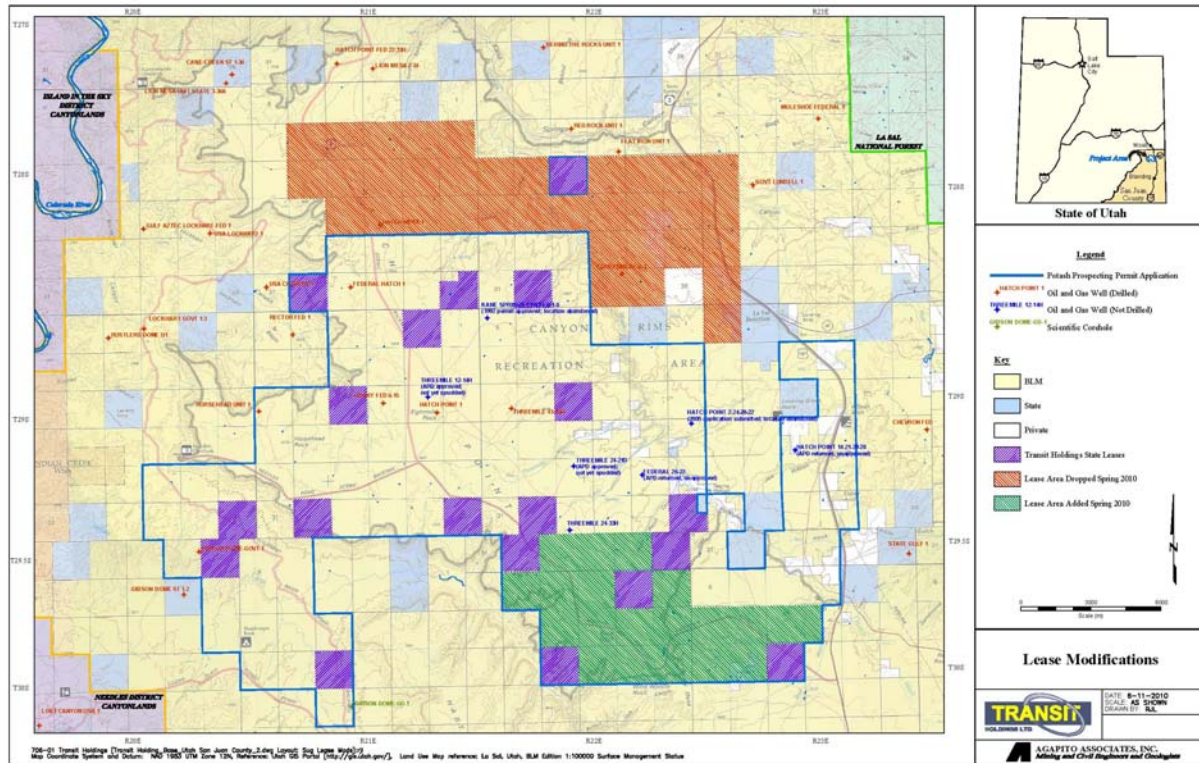
Initial assay results at Transit's Johnston Range Iron Project in Western Australia have returned excellent intersections of magnetite. Given the Projects location 130 kilometres north from the main east-west rail line at Koolyanobbing, and in a region that is already known for producing direct shipping ore, the Company will continue further exploration and development work over the coming quarter to better assess the full potential of this prospect for shareholders.

POTASH - K2O UTAH LLC JOINT VENTURE

Exploration

Transit's Joint Venture vehicle, K2O Utah LLC ("K2O"), successfully lodged a prospecting right application for additional land in a highly prospective area to the South of the previous application area. Land in the north of the application area was dropped with the revised prospecting lease application area shown below.

Confirmation is awaited from the Bureau of Land Management (BLM) that the new area under application is not a Known Potash Lease Area (KPLA) leasing area.



K2O has appointed Boyd Petrosearch, a leading Vancouver based expert in seismic analysis for the potash industry to review, acquire, process, interpret and analyse available 2D data across the Paradox Basin. Transit has access to a substantial database of 2D seismic which is available at a fraction of the price of conducting fresh seismic surveys. Initial work is scheduled to be completed by the end of August 2010.

Agapito Associates, who are advisors to Transit Holdings on geology and exploration, are working with Boyd Petrosearch to co-ordinate the review and site drill holes on both State and Federal Leases. Co-ordination meetings were also convened with the Company's environmental advisors to ensure that the siting of holes are in environmentally acceptable locations.

During the quarter, an independent assessment of the project's economic impact on the State of Utah and San Juan County was completed. The study demonstrated the considerable beneficial impact that successful project development would have on an economically depressed county in Utah with high unemployment levels. The study will be used in the September quarter for lobbying legislators and government officials to expedite permitting processes.

Permitting – State Lease Blocks

Transit's Joint Venture vehicle (K2O) has purchased the rights to the potash on the state lands. The JV has existing Prospecting Permits for the State lands. These permits have been issued. In order to begin drilling the four holes which are currently proposed to be drilled on the state lease blocks a Notice of Intent needs to be issued.

The key steps for in this process are:

- 1.) Select precise drillhole co-ordinates after analysis of the 2D seismic data;
- 2.) Perform a flora, fauna, archaeological and paleontological survey on a one acre square block around the drilling co-ordinate;
- 3.) Submit the Notice of Intent to drill which is planned by the end of the September Quarter.
- 4.) Ensure a Right of Way is secured where access to the state lease block is over Federal Land).

With the notice of intent to drill submitted to the relevant authorities by the end of the September quarter, the company expects to receive permission to commence drilling on state leases during the December quarter.

Exploration on State Leases – Permitting of a “Right of Way”

To enable access to two key drilling locations on the state blocks, federal land administered by the BLM must be crossed. Two separate Right of Way applications have been lodged in May 2010 with an amended application submitted in July 2010 following consultation with the BLM.

During the June quarter, K2O reached agreement with the BLM Field Office in Moab that the Environmental Assessment (EA) required for BLM approval will be performed by a third party environmental agency at K2O's expense. This will expedite the outcome and ensure a correct approach is agreed that balances the interests of all parties.

Exploration on Federal Land

K2O has applied (see diagram at page 2) for a prospecting permit over an area of federal land which was designated non KPLA land (meaning that prospecting is necessary to determine potentially economic endowments of potassium minerals).

K2O was also successful in the June quarter in applying for additional prospecting permits in a highly prospective area to the south of the previous lease application area (green shading - page 2 diagram) and consequently relinquished applications over less prospective areas to the north of the previous application area (red shading - page 2 diagram). The designation of the area's recently applied for is yet to be confirmed.

As a consequence of the non KPLA status determination, the land covered by the K2O applications will not be leased competitively and K2O will be able to prospect these lands when the permits are issued. If a valuable deposit of potash is discovered on these lands that demonstrate economic development potential, K2O will be able to apply for a preference right lease to develop the deposits.

This requires demonstration of compliance with environmental law and standards, and the negotiation of a modest royalty not to exceed 5% on revenues.

Tenure over Potash Exploration on Federal Leases

For the lands covered by K2O applications, K2O has priority over any other entities for obtaining a permit on those lands, subject to environmental review to establish the terms and conditions under which the permits will be issued.

Prospecting Permit on Federal Land – Current Status

K2O has been awaiting a prospecting permit since November 2009 when the federal land under application was designated non KPLA land. BLM policy requires that issuance of a prospecting permit for the lands in an application be consistent with the land use plan for the area as determined in the BLM's Resource Management Plan for that area. A review of the current land use plan indicates that prospecting permit applications for potash are specifically addressed in the plan, and the lands applied for by K2O have not been withdrawn from leasing, so they should be available for issuance of the permits.

In late June, the BLM issued a notice to all applicants for a prospecting permit on both KPLA and non KPLA land, advising that due to the unexpected volume of applicants in the area, workload and the need to review the cumulative impacts of these potential applicants on the region, the BLM would defer for an indefinite period, the issue of prospecting permits. Transit has commenced an urgent process of consultation and lobbying, and is confident that the prospecting permit will be issued as a result of this process.

Corporate

During the June quarter, the K2O Joint Venture Committee reviewed the 2010 Budget and approved planned expenditures for the year. K2O Resources, Transit Holdings' partner in the project joint venture, confirmed it would not contribute its share and would dilute to the residual carried interest of 10% under the shareholder's agreement.

JOHNSTON RANGE AND COPPER BORE IRON ORE PROJECT

During the quarter, TRH announced the sample results of iron ore drill holes in the Johnston Ranges. The Johnston Range Iron Project contains a 35km long sequence containing a number of sub-parallel Banded Iron Formation ("BIF") units, and therefore has potential to host a significant magnetite deposit.

In assessing the magnetite potential of the Project the Company has sampled and assayed drill cuttings from a previous drilling programme which intersected magnetite-rich BIF, confirming grades in line with other magnetite iron ore projects in Western Australia currently being developed. The best intersections are detailed in the Table 1 below.

Table 1: Intersections at a cut off grade of 25% Fe

Hole ID	Prospect	Type	From	To	Intercept	Fe %	SiO2 %	Al2O3 %	P %
TRC0003	Muldoon	Magnetite	35	60	25	33.2	43.9	2.9	0.05
TRC0006	Muldoon	Magnetite	35	53	18	39.5	39.0	1.4	0.06
TRC0010	Muldoon	Magnetite	29	52	23	36.8	42.0	1.9	0.06
TRC0011	Muldoon	Magnetite	27	64	37	36.1	45.1	0.5	0.05
TRC0013	Muldoon	Magnetite	12	52	40	35.4	45.1	0.8	0.06
TRC0015	Muldoon	Magnetite	42	59	17	35.2	46.5	0.5	0.08
TRC0018	Muldoon	Magnetite	17	43	26	35.9	43.1	1.9	0.04
TRC0020	Muldoon	Magnetite	60	80	20	32.2	50.6	0.9	0.03
TRC0022	Muldoon	Magnetite	10	64	54	32.2	38.2	9.1	0.03
TRC0026	Bolger	Magnetite	0	16	16	35.3	29.0	11.3	0.04
TRC0026	Bolger	Magnetite	26	72	46	37.2	42.0	1.4	0.05
TRC0029	Bolger	Magnetite	2	32	30	33.9	32.5	10.1	0.05
TRC0030	Bolger	Magnetite	28	63	35	32.6	46.1	3.1	0.05
TRC0031	Bolger	Magnetite	1	49	48	32.5	20.9	17.1	0.07
TRC0033	Lange	Magnetite	51	82	31	33.9	36.2	6.6	0.08

As the initial assessment has confirmed the Project's magnetite potential, Transit is now undertaking additional exploration work to contribute towards the Company's assessment of the Projects potential to host an economic magnetite deposit.

Corporate

John Ceccon resigned as a Non Executive Director and was replaced by Brian Thomas. Brian is a geologist and mineral economist with extensive experienced in exploration, banking, and board level management of small to midsize companies.

Transit's cash position at 30 June 2010 was ~\$4.6 million.

ASX Announcements

The Company made the following announcements during the quarter.

Date	Details
22/07/2010	Ceasing to be a substantial holder
22/06/2010	Transit confirms magnetite potential of Johnston Range Iron
9/06/2010	Appointment of Non-Executive Director
31/05/2010	Final Director`s Interest Notice
31/05/2010	Change in substantial holding
20/05/2010	Change of Director`s Interest Notice
23/04/2010	Investor Presentation - Paradox Basin Potash Project
23/04/2010	Exploration Target Update
20/04/2010	Quarterly Activities and Cashflow Report

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 2010

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	(343)
		(b) development	-
		(c) production	-
		(d) administration	(90)
1.3	Dividends received		-
1.4	Interest and other items of a similar nature received		16
1.5	Interest and other costs of finance paid		-
1.6	Income taxes paid		-
1.7	Other (provide details if material)		-

Net Operating Cash Flows

Cash flows related to investing activities

1.8	Payment for purchases of:	(a)prospects	-	(326)
		(b)equity investments	-	-
		(c) other fixed assets	-	-
1.9	Proceeds from sale of:	(a)prospects	-	-
		(b)equity investments	-	-
		(c)other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)		-	-

Net investing cash flows

1.13	Total operating and investing cash flows (carried forward)		(417)	(1,744)
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	Current quarter \$A'000	Year to date (12 months) \$A'000
	-	-
	(343)	(1,060)
	-	-
	-	-
	(90)	(436)
	-	-
	16	78
	-	-
	-	-
	-	-
	(417)	(1,418)
	-	(326)
	-	-
	-	-
	-	-
	-	-
	-	-
	-	(326)
	(417)	(1,744)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(417)	(1,744)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	3,439
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	-	(4)
Net financing cash flows		-	3,435
Net increase (decrease) in cash held		(417)	1,691
1.20	Cash at beginning of quarter/year to date	5,043	2,935
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,626	4,626

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	60
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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Appendix 5B
Mining exploration entity quarterly report

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	400
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	500

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	1,626	2,043
5.2 Deposits at call	3,000	3,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,626	5,043

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			

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i> (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	45,381,224	45,381,224		
7.4 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy- backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	250,000 2,250,000 3,000,000 5,500,000	- - -	<i>Exercise price</i> 35 cents 40 cents 40 cents	<i>Exercise date</i> 31/01/11 31/12/12 31/12/12
<i>Total</i>				
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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: 29 July 2010

(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.