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Australian Stock Exchange
10th floor, 20 Bond Street
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BUREAU of LAND MANAGEMENT - MEMORANDUM OF UNDERSTANDING

Transit Holdings is pleased to announce that its 90% owned joint venture vehicle K2O Utah LLC (K2O Utah) has executed a Memorandum of Understanding (MOU) with the United States Bureau of Land Management concerning exploration for potash on Federal Lands on the Paradox Basin Potash Project.

The MOU establishes an understanding between K2O Utah and the BLM regarding respective responsibilities, procedures to be followed, and conditions to be adhered to for the exploration and leasing of the potash resource that may exist within the prospecting area of interest on Federal Lands in the Paradox Basin. The MOU provides clarity and guidance for the approval process relating to K2O's intention to drill 4 exploratory core holes on federal lands. This MOU has a schedule of six months for the BLM to publish a final Environmental Assessment (EA) with a decision record (DR) and findings of no significant impact (FONSI). This six months period is a mutually agreed schedule which is dependent on a number of factors including the completeness of the documents lodged with the BLM, and technical and legal acceptability including a final approval from the BLM.

K2O Utah will work diligently to comply with the MOU's requirements in order to have the opportunity to further develop this significant potash opportunity.

For and on behalf of Transit Holdings Ltd

A handwritten signature in black ink, consisting of several overlapping loops and a long, sweeping tail that ends in a sharp upward-pointing hook.

Ananda Kathiravelu
Chairman