



## ASX Release

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Monday, 6 June 2011

### TRANSIT HOLDINGS LTD

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#### Directors:

Ananda Kathiravelu (Chairman)

Richard Monti (Executive)

Brian Thomas (Non – Executive)

Sean Murray (Non-Executive)

#### Issued Capital:

45,665,474 Ordinary Shares

3,000 Class C Converting Shares

5,750,000 Unlisted Options

#### ASX Code:

TRH (Fully Paid Ordinary Shares)

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## TRANSIT INCREASES HOLDING TO 90% INTEREST IN POTASH PROJECT IN UTAH

Transit Holdings Limited ("Transit" or the "Company") is pleased to announce that the company has increased its holding in the Paradox Basin Potash Project ("Project") in Utah, to 90 per cent.

This announcement follows confirmation from Transit's partners K2O Utah LLC that it has satisfied expenditure commitments and as a result has moved from 75% to 90% ownership of the company's flagship potash project located in Utah in the United States of America.

The joint venture is currently preparing the programme and budget for an initial drill campaign that will include the drilling of 4 exploratory wells on the State lease locations as part of the Project's Pre-Feasibility Study .

An exploration target of 2.3 billion tonnes of sylvinitic potash ore at 20% to 30% KCl has been delineated within the Project. The exploration target assumes a grade-thickness cut-off of 20% K2O per metre (grade by thickness), below which mineralisation is excluded from the estimate\* (please refer to further details below).

The drill campaign follows a positive Scoping Study on the Project. Transit and its joint venture partner recently completed the Scoping Study on the Project based on 2 million tonnes per annum production of KCl from solution mining of the potash deposit.

The Scoping Study demonstrated that the Project has robust financials and the Company is proceeding to a Pre-Feasibility Study which will include drilling of fresh exploratory wells to augment a database of historical drilling.

For more information please contact:

**Transit Holdings Ltd**  
**RICHARD MONTI**  
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#### **\* About the Project**

Transit has earned 90% of the Paradox Basin Potash Project ("the Project").

The Project covers applications for 386km<sup>2</sup> of highly prospective potash permits in the Paradox Basin in south eastern Utah. The company's focus is on sylvinitic, a high grade form of potash ore that is cheaper and more effective to process to a saleable form than any other form of potash ore.

The Paradox Basin Potash Project is located close to the key agricultural regions of the United States and as such is ideally situated to supply fertiliser manufacturers and agricultural cooperatives in the western and south-western United States. The Project also has substantial export potential given its excellent proximity to key US rail infrastructure leading to West Coast ports.

An exploration target of 2.3 billion tonnes of sylvinitic potash ore at 32.8% KCl content (20.7% K<sub>2</sub>O) has been delineated within the Project by independent consultants Agapito Associates Inc. Transit and its joint venture partner have recently completed a Scoping Study on the Project based on 2 million tonnes per annum production of KCl from solution mining of the potash deposit.

The Scoping Study demonstrated that the Project has robust financials and the Company is proceeding immediately to a Pre-Feasibility Study which will include drilling of fresh exploratory wells to augment a database of historical drilling. The identification of substantial subterranean aquifers and opportunities to capture seasonal snowmelt provides confidence in the availability of water for the project, to add to an impressive suite of infrastructure in the region.

The Exploration Target assumes a grade-thickness cutoff of 20% K<sub>2</sub>O per metre (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.

*The information set out above that relates to exploration results 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."*