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31 January 2011

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

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 31 DECEMBER 2010

Please find attached the Quarterly Activities and Appendix 5B Quarterly Cashflow reports for the quarter ended December 31, 2010.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Richard Monti", is written over a light grey circular watermark that contains the word "TRANSIT".

Richard Monti
Executive Director



ASX Release

January 31, 2011

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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
6,000,000 Unlisted Options

ASX Code:
TRH

QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 31 DECEMBER 2010

Highlights

- ❖ Transit has entered into a Heads of Agreement to acquire a coal project in Cordoba province of Colombia, subject to due diligence
- ❖ Intensive negotiations continue on obtaining Right of Way permits to drill State Lease blocks at the Paradox Basin Potash Project
- ❖ Transit completed the spin out of its iron ore assets into Radar Iron Ltd
- ❖ Cash position of \$3.7m

Overview

The board of Transit Holdings Ltd ("Transit") is pleased to present its quarterly activities report for the quarter ended 31 December 2010.

At Transit's Paradox Basin Potash Project in the in south eastern Utah, USA, intensive negotiations continued with various government agencies to secure the Right of Way over Federal Land, to access drilling sites on 4 blocks administered by the State of Utah. On legal advice, the application to drill 12 wells on Federal land has been delayed until after the Rights of Way are secured, to reduce administrative delays associated with the permitting.

The successful IPO of Radar Iron Ltd (ASX:RAD) in December progressed Transit's strategy to obtain value from a large iron ore tenement position in the Yilgarn area of Western Australia. Transit holds 36.7% of the new company and 12 million share options.

Transit announced an agreement, subject to due diligence, to acquire rights over a large exploration project in Cordoba Province, Colombia, covering 320,000 hectares in areas of known coal formations bearing thermal coal.

POTASH - K2O UTAH LLC JOINT VENTURE

Exploration

Transit's Joint Venture vehicle, K2O Utah LLC ("K2O"), focused its activities in the December quarter on continued negotiations with various levels of government and government agencies, to encourage the Bureau of Land Management ("BLM" which administers Federal Land) to grant access via a Right of Way Agreement to allow the drilling of up to 4 wells on State Lease Blocks. During December, and after months of deadlock, progress appeared to be made with the government producing a substantial Environmental Assessment for the traversing of bituminous roads, and a short section of dirt road, to access these state lease blocks. This was reviewed, and returned to the BLM with minor amendments.

During the quarter under review, Transit completed a Prospecting Permit Application for the drilling of up to 12 wells on Federal Land administered by the BLM which has included siting of drillholes and preparation of environmental permitting documents. On the advice of legal counsel, the submission of this document will be deferred until the Right of Way is secured, to avoid further administrative delays.

In anticipation of the granting of a Right of Way, the company is engaging with a large multinational engineering and drilling consultancy to assist in the preparation and eventual execution of a drilling plan for up to 4 wells on state lease blocks.

COLOMBIA COAL – HEADS OF AGREEMENT

In December 2010, Transit entered a Heads of Agreement with Corvus Coal Limited, a BVI Company, to acquire, subject to due diligence and other approvals, their rights to a coal exploration project covering 320,000 hectares in the Cordoba Province of Colombia. An agreement was reached for a 90 day exclusivity period, in return for a A\$25,000 payment.

The rights which Transit may acquire are for 45 "solicitudes" or first-in-line rights for concessions covering a substantial portion of the coal-bearing Cerrito and Cienaga del Oro formations. These lie on average, within 150km of the coast, and offer options for road or barging to prospective port locations using current known and established logistics routes.

Consideration for the transaction has been agreed at 5 million Transit shares, plus up to A\$100,000 in previous expenses, in addition to a number of other share issues on certain milestones being achieved. Due diligence will take place during the March 2011 quarter.

The company is evaluating an entry strategy for coal, and is considering opportunities in other locations which offer potential for shareholder value.

RADAR IRON LIMITED (TRANSIT INTEREST OF 36.70%)

Radar Iron Spin Out

Following a review of options to unlock the value of the iron ore assets in Transit a decision was made to spin out the assets into a new company – Radar Iron Ltd (Radar – ASX code RAD). After shareholder approval was granted, Radar Iron Limited completed an Initial Public Offering in December 2010, and commenced trading under the ASX ticker ASX: RAD. Transit Holdings Limited holds 36.70% of the new company and 12 million share options. The Chairman of Transit, Mr Ananda Kathiravelu, has been appointed to the Board of Directors of Radar Iron Ltd.

Exploration

During the December quarter, 1,388m of RC drilling aimed at magnetite targets was completed at prospects at Johnston Range and Die Hardy Ranges. The average grades of magnetite mineralization ranged between 28-30% Fe, with the best intercept being 154m at 29% Fe at the Lara prospect. For full details of the RC drilling results please refer to the announcement by Radar on 19 January 2011.

Drilling at the Lara prospect in Die Hardy area supports the interpretation of a 3.4km long and 200-300m wide, sub-vertically dipping magnetite body. Davis Tube Recovery ("DTR") test work indicates potential concentrate grades of 68-70% Fe with low contaminant grades (Al₂O₃, SiO₂, P, S). Good mass recovery from DTR tests at 38-40% was demonstrated. For full details of the results of the DTR test work please refer to the announcement by Radar on 19 January 2011.

Field mapping continued during the quarter, and a Geophysical review of magnetite potential commenced using existing magnetic and gravity data. Drill testing of hematite targets is planned for the March quarter of 2011.

Radar Iron also commissioned a geophysical review of the aero-magnetic data covering its Johnston Range project during the quarter. The review was completed by independent geophysical consultants, Resource Potentials of Perth and was aimed at identifying areas in the 35km Johnston Range banded iron formation (BIF) with greater potential to host significant mineralisation and to better define exploration targets.

The results were:

- A global target exploration potential for iron mineralisation estimated at 5.83 billion tonnes at 20- 65% Fe (including near surface potentially enriched mineralisation of 493 million tonnes at 40-65% Fe)
- A magnetite (or primary BIF) target exploration potential of 5.34 billion tonnes at 20-45% Fe

The potential quantity and grade of iron deposits reported as exploration target potential 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. For full details of the results of the geophysical review please refer to the announcement by Radar on 31 January 2011.

Please refer to Radar Iron Ltd's quarterly report and their website www.radariron.com.au for further details on Radar Iron's operations.

The information in this report relating to Radar Iron's drilling results and Davis Tube Recovery test work accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Mineral Resources and Ore Reserves). It is compiled by Mr Jonathan Lea, an employee of Radar Iron Ltd who is a Member of The Australasian Institute of Mining and Metallurgy with the requisite experience in the field of activity in which he is reporting. Mr Lea has sufficient experience which is relevant to the style of mineralisation and the 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 Lea consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The potential quantity and grade of iron deposits reported as exploration potential 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.

Corporate

Transit's cash position at 31 December 2010 was ~\$3.7 million.

ASX Announcements

The Company made the following announcements during the quarter.

Date	Details
11/01/2011	Change in substantial holding
30/12/2010	Securities Trading Policy
24/12/2010	Becoming a substantial holder for RAD
22/12/2010	Acquisition of Coal Project in Colombia
22/12/2010	Reinstatement to Official Quotation
22/12/2010	Suspension From Official Quotation
20/12/2010	Trading Halt
9/12/2010	RADAR IRON PRESS RELEASE - IPO UPDATE
7/12/2010	Change of Director's Interest Notice
7/12/2010	Appendix 3B - Issue of Options
3/12/2010	CHANGE IN DIRECTORS INTEREST NOTICE APPENDIX 3Y
26/11/2010	Results of Meeting
15/11/2010	Radar Iron Prospectus
15/11/2010	Letter to Shareholders - Radar Iron Priority Offer
28/10/2010	QUARTERLY ACTIVITIES AND CASHFLOW REPORT 30 SEPTEMBER 2010
26/10/2010	Notice of Annual General Meeting/Proxy Form
22/10/2010	IRON ORE ASSET SPIN OUT
20/10/2010	Trading Halt
12/10/2010	Response to ASX Price and Volume Query

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")

31 December 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	(400)	(813)
	(a) exploration and evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) administration	(165)	(282)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	56	148
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	- Payments for project assessment	(77)	(77)

Net Operating Cash Flows

Current quarter \$A'000	Year to date (6 months) \$A'000
-	-
(400)	(813)
-	-
-	-
(165)	(282)
-	-
56	148
-	-
-	-
(77)	(77)
(586)	(1,024)

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	120	120
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	- Cash disposed of in sale of subsidiary	(18)	(18)

Net investing cash flows

-	-
-	-
-	-
-	-
120	120
-	-
-	-
-	-
(18)	(18)
102	102
(484)	(922)

1.13	Total operating and investing cash flows (carried forward)	(484)	(922)
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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(484)	(922)
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		(484)	(922)
1.20	Cash at beginning of quarter/year to date	4,188	4,626
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,704	3,704

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	52
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

Amounts paid to directors includes salaries and wages for director services.

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	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	1,204	1,188
5.2	Deposits at call	2,500	3,000
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		3,704	4,188

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	Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	57%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
		Due to Spin out of Radar Iron	100%	Nil
	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 2,750,000 3,000,000 6,000,000	- - -	<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	500,000	-	40 cents	31/12/12
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: 31 January 2011

(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.