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29 October 2009

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

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 30 SEPTEMBER 2009

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

Yours faithfully

A handwritten signature in blue ink, appearing to read "Richard Monti", is written over a faint, light blue circular watermark or seal.

Richard Monti
Executive Director



ASX Release

October 29, 2009

TRANSIT HOLDINGS LTD

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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 SEPTEMBER 2009

Highlights

- ❖ Commencement of Scoping Study at Paradox Basin Potash Project
- ❖ Permitting work continues at Paradox Basin Potash Project
- ❖ Gravity survey results received for Johnston Range
- ❖ Cash position of \$2.5m
- ❖ Annual Report and Notice of AGM dispatched to shareholders.

Overview

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

PARADOX BASIN POTASH PROJECT

Scoping Study

During the quarter Transit announced that the Company has decided to immediately commence a Scoping Study on the Paradox Basin Potash Project.

ProMet Engineering has been commissioned to undertake the Scoping Study and it is envisaged that it will be completed by the end of November 2009.

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 will use a number of sub-contractors to undertake the Scoping Study including Agapito Associates and Carlos Perucca.

Agapito Associates is a geo-engineering and mining engineering consulting firm based in Grand Junction, Colorado with specialist experience in potash exploration and mine development. Carlos Perucca will lead the potash process engineering and plant modelling. Mr Perucca has extensive experience in potash processing, including early work at the Potassio Rio Colorado project in Argentina where he participated in the original solution mining pilot test and process engineering designs.

Permitting

Transit has completed a significant amount of work on the permit approval process. 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.

Project Summary and Exploration Target

The Paradox Basin Potash Project covers applications for 93,000 acres in the Paradox Basin in south eastern 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 1,500 to 2,000 metres below the surface.

The Exploration Target range for Potash 13 is 0.9 to 1.3 billion tonnes of sylvinite (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 sylvinite 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 sylvinite 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.

JOHNSTON RANGE IRON ORE PROJECT

Transit received a final report from Southern Geoscience Consultants which has assessed results from the Gravity survey completed during the quarter with existing aeromagnetic information. The report has identified a number of targets that could represent potential haematite mineralisation associated with the banded iron formations at the Johnston Range Project.

Transit is assessing the potential of these targets and will decide on the appropriate follow up. The Company intends to assess its options to maximise the value of the Project including sole funding further exploration, joint venturing or divesting the Project.

Corporate

Transit's cash position at 30 September 2009 was \$2.5 million.

Transit recently dispatched the 2009 Annual Report and Notice of Annual General Meeting to shareholders. The AGM is to be held at the Marquee Hotel, 24 Mount Street, West Perth, WA at 9:00am (WST) on Monday, 16 November 2009. All shareholders are encouraged to attend.

ASX Announcements

The Company made the following announcements during the quarter.

Date	Headline
15/10/2009	Notice of Annual General Meeting/Proxy Form
22/09/2009	Transit to commence Scoping Study
18/09/2009	Annual Report to shareholders (amended)
18/09/2009	Annual Report to shareholders
16/09/2009	Change of Director`s Interest Notice
20/08/2009	Change of Director`s Interest Notice
31/07/2009	Quarterly Activities and Cashflow 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 than 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 September 2009

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(239)	(239)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(173)	(173)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	19	19
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	(393)	(393)
	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	-	-
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)	(393)	(393)

1.13	Total operating and investing cash flows (brought forward)	(393)	(393)
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		(393)	(393)
1.20	Cash at beginning of quarter/year to date	2,935	2,935
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,542	2,542

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	105
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	300
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	400

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	2,542	2,935
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,542	2,935

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
	Total	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: 29 October 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.