

Form 51-102F3

MATERIAL CHANGE REPORT

**Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations**

ITEM 1: NAME AND ADDRESS OF REPORTING ISSUER

Khan Resources Inc.
Prudential Building, Suite 1007
141 Adelaide Street West
Toronto, ON M5H 3L5

ITEM 2: DATE OF MATERIAL CHANGE

August 17, 2007

ITEM 3: PRESS RELEASE

A press release with respect to the material change described herein was issued in Toronto, Ontario through CCN Matthews on August 17, 2007.

ITEM 4: SUMMARY OF MATERIAL CHANGE

Khan Resources Inc. ("Khan") announced that it has received a notice from the Mineral Resources Authority of Mongolia (the "Minerals Authority") advising that the Minerals Authority has determined that the decision to issue Khan's special exploration license 9282X in respect of the property referred to as the Additional Dornod Property is considered invalid.

ITEM 5: FULL DESCRIPTION OF MATERIAL CHANGE

Khan received a notice advising that the Minerals Authority has determined that the decision to issue Khan's special exploration license 9282X in respect of the property referred to as the Additional Dornod Property is considered invalid. Special exploration license 9282X covers approximately one-third of the Number 7 deposit. The company understands that a number of other uranium exploration licenses have been similarly declared invalid.

Khan is working closely with its counsel to assess the implications of the notice from the Minerals Authority and the company's legal rights. The company intends to vigorously oppose this determination.

This determination does not affect the existing mining license in respect of the property referred to as the Main Dornod Property. Khan indirectly holds a 58% interest in the Main Dornod Property.

ITEM 6: RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7: OMITTED INFORMATION

Not applicable.

ITEM 8: EXECUTIVE OFFICER

The following senior officer of Khan is knowledgeable about the material change and this report:

Martin Quick
President and Chief Executive Officer
(416) 360-3405

ITEM 9: DATE OF REPORT

Dated at Toronto this 20th day of August, 2007.

By: (signed) *Martin Quick*

Martin Quick
Chief Executive Officer