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Argentina – Organullo Exploration Target

Vancouver, British Columbia – Artha Resources Corporation (TSX.V: AHC) is pleased to announce that it has defined an exploration target at the Organullo gold-silver property in Salta Province, NW Argentina. The exploration target is:

**25 to 45 million tonnes at 0.7 - 0.9g/t Au and 2 - 3g/t Ag,
for a total between 0.56 to 1.3Moz of Au and 1.6 to 4.3Moz of Ag.**

In accordance with Clause 18 the JORC Code, when considering the Exploration Target readers are advised “the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define Mineral Resources and that it is uncertain if further exploration will result in the determination of a Mineral Resource”¹.

The quantity and grade of the exploration target is based on upper and lower limits applied to an unconstrained block model with varying search distances to reflect the upper and lower tonnage ranges. The block model was derived from existing historical drill hole information and used surface geochemistry as a guide for extrapolation. The block models were reported at various Au cut-offs, with a 0.4g/t Au cut-off used for this study.

Additional drilling is required to confirm the results generated by previous explorers whose data is yet to be fully validated. To achieve this Artha has planned approximately 2000m of diamond drilling which is due to commence when a suitable rig becomes available.

Artha’s CEO, Charles Straw, stated that:

“Whilst the exploration target is conceptual in nature at Organullo it is supported by a relatively large amount of historical drilling and associated exploration work such as mapping and surface sampling. Organullo is undoubtedly a large mineralizing system and the result of this work justifies additional drilling at the project. Further exploration work is required to ascertain the full potential of the property.”

Salta Province has a stated aim of attracting more exploration and mining investment and has been described as a new frontier for mineral exploration. Currently there are many projects at an advanced stage of exploration or in feasibility mode. These include the El Quevar silver project, Lindero gold project, Daibillos silver-gold project, Rio Grande copper project, the Lumina copper project and many others.

The Lindero gold project located in Salta Province is considered a comparable project to Organullo and has measured and indicated resources of 71.9 million tonnes grading 0.74 grams/tonne Au at a 0.4 grams/tonne Au cut-off, containing 1.71 million ounces of gold. The project has received a mine permit to build a heap leach operation treating up to 11Mt p.a. A full feasibility study is underway and will be based on a heap leach gold mine operating at 4.3Mt p.a using a cut-off grade of 0.4 grams/tonne Au.

Background

The Organullo project is located in Salta province in northwest Argentina approximately 20 kilometres due south of the village of San Antonio de Los Cobres and approximately 100km W-NW from the provincial capital, Salta. Access is easily attained by a network of roads through the central part of the property. The project area ranges in height from 3900m to 4500m and is characterized by relatively steep valleys and ridgelines.

Artha has entered into an Option Agreement whereby it can earn an undivided fifty-five (55%) percent working interest in the interest of Cardero Argentina S.A. ("Cardero Argentina") in the tenures which make-up the Organullo Project, and thereafter form a Joint Venture with Cardero Argentina, a wholly owned subsidiary of Cardero Resource Corp. ("Cardero"). In November 2011 a NI-43-101 Technical Report was completed on the property as part of the Option Agreement with Cardero. Artha have undertaken geological and structural mapping in conjunction with rock chip sampling at Organullo which has confirmed and enhanced prospectivity of the Project. More recently Artha engaged GeoRes Consultants to review and model existing drillhole data at the project for the purposes of estimating an 'exploration target' pursuant to the JORC Code. GeoRes have also made recommendations regarding future work at the project.

Previous Work

The earliest recorded work in the area of the Organullo property was from small-scale production at the Julio Verne mine during the 1930's. Mining activity centered on 2 high-grade sub-parallel veins with concentrates reported to average 12.5% bismuth and 8.2% copper with gold ranging between 10-20 g/t. Early regional work was undertaken in the area by Fabricaciones Militares in 1962-72 in partnership with the United Nations, followed up by an IP survey and drilling of one core hole by Cities Service Corporation for which no data exists. In 1994-1995 Triton Mining Corp. and Northern Orion Explorations, Ltd. jointly conducted a detailed surface sampling, mapping and prospecting campaign and completed a 17-hole, 3,295-metre RC drill program. This was followed with a 6 hole diamond drill program in 1997 and an additional 12-hole RC drill program in 1999 by Northern Orion. During this time a total of 1046 surface samples were collected and analyzed. These were mostly outcrop chip or channel samples.

Cardero purchased the project in 2004, and conducted several reconnaissance exploration programs and collected 504 surface rock chip and channel samples. Other work included CSAMT, Aster interpretation and ground magnetics. In 2010 Cardero completed an 8 hole 2,053m diamond drilling program and completed petrographic and PIMA studies. A summary of the drilling data is presented in Table 1.

Table 1: Drilling Summary

Company	Year	RC Holes	RC meterage	Core Holes	Core hole meterage	Drill Assays
Triton Mining Corp	1995	17	3095			3081
Triton Mining Corp/Orion Exploration Ltd.	1997			6	1013.8	587
Orion Explorations Ltd.	1999	12	2012			1004
Cardero Resource Corp.	2010			8	2053.5	1417
TOTAL		29	5107	15	3067.3	6089

Geology and Mineralization

Gold mineralization on the Organullo property is hosted in Tertiary age dacite to andesite volcanic/volcaniclastic rocks and their subvolcanic intrusive equivalents, as well as underlying Pre Cambrian aged Puncoviscana metasedimentary rocks. Quartz veins, stringer zones and silicified zones with disseminated pyrite and some sulphosalts are commonly associated with faulted, brecciated and fault gouge zones proximal to dacite intrusives and generally return the highest gold values. The mineralization at the Julio Verne mine has been classified as a high sulphidation epithermal style mineralization, even though this

local setting does not exactly fit the classic model for high sulphidation style mineralization. The mineralization on Organullo Ridge can also be classified as a high sulphidation epithermal system, although this is not unequivocal due to the early level of understanding of this system. More recent work is more suggestive of low, intermediate and high sulphidation alteration assemblages.

Exploration Target – Notes

Robin Rankin (the GeoRes Consultant), was engaged in April 2012 by Artha Resources Corporation to evaluate the scale of potential gold and silver exploration targets at Artha's Organullo Project in Argentina. Topographic and drill hole data had previously been databased by GeoRes in 2011.

Objectives: The objectives of this Project were to evaluate the scale of potential exploration targets at Organullo and to achieve this in an initial limited sense by utilizing “unconstrained” grade modeling utilizing drill hole data generated by previous explorers. To assist this process geological and geochemical data generated by Artha and previous workers was also utilized to assist with extrapolation parameters.

Data: Data was supplied electronically by Centric Minerals Management on behalf of Artha. Topographic data was sourced via the internet from the USGS. Existing work and geological understandings on the Organullo Project was essentially described in a geological report to Artha of 11th April 2012 by BISA, a mining project development, management and consulting company based in Lima, Peru. Exploration drill hole data was exported from the Artha MS Access database and supplied in spreadsheet form and databased in GeoRes's mining software package Minex. The data has not been verified and the project has not been visited by the Consultant.

Geological understandings and project implementation: From the BISA report the Consultant understood that the gold mineralized system at Organullo was very dominantly connected to and occurring within (or at least very close to) brecciated epithermal quartz veins and enclosing altered country rock. Veins were generally fairly planar, mostly steeply dipping and often sub-parallel, and occurring in groupings by area and also by strike directions. The majority of veins either fall into a NNE striking group or a NNW/NW striking group. Mineralization of interest is gold and silver with the tenor of silver values ~ twice the gold values.

The implementation strategy adopted was to identify where veins could be characterized by a single common strike and dip direction; identify the areas where exploration targets could be evaluated for a common vein dip and strike; model grades into unconstrained (not differentiated by geology) 3D blocks; and estimate block grades in each area by using strong anisotropy to simulate continuity in the plane of the common vein strike and dip direction.

Modeling: GeoRes determined two common strike and dip directions, each characteristic in a specific exploration target area: Strike 020°, dip 75° E – in the centre and southern areas (and termed “South” here). Strike 030°, dip 70° W – in the northern areas (and termed “North” here).

Block models were built for the two target areas. Block sizes were defined to emphasize the narrow vein orientation and were consequently much narrower in the X (E/W) directions across strike than in the Y (N/S) and Z (vertical) directions being along strike and down dip.

Grade estimation: Gold and silver values were estimated into each model's blocks using parameters adapted to the common vein direction relevant to the area. The parameters were set to strongly force interpolation to be aligned in the plane of the veins. This was achieved by rotating the search directions orthogonal to the plane of the veins and by applying strong anisotropy normal to the vein plane through the use of a distance weighting factor of 3. For grade estimation the raw drill hole sample intervals were

composited to exactly 2.0m down-hole. No limits were applied to either input data or output estimates. Estimation was “un-constrained” as effectively no geological population domain control was used as all samples and blocks were assigned the same domain number 1. Block estimation was done using an inverse distance squared algorithm.

Scan distances: A pre-cursor modeling of the central area (containing the bulk of and densest drilling) revealed that grade estimation scan distances of up to 100m in the plane of the veins would adequately fill blocks between the drill holes, and extend beyond them, in a way that mimicked narrow veins.

Following this evidence the Consultant further deduced that increasing the scan distances by simple multiples would produce reasonable figures for ranges of exploration targets. Two scan distances were used in estimating grades: 200m scan distance – for the lower range exploration target and a 300m scan distance – for upper range exploration target. Where drilling does not exist the scan distance extrapolations are generally supported by mapping and surface sampling.

Exploration Targets: Potential exploration target tonnages and grades of gold and silver at Organullo were reported at lower and upper ranges in southern and northern areas and in total. They were reported for a variety of gold grade lower cut-off values and a fixed silver lower cut-off value of 0.1g/t. Tonnages assumed a constant density of 2.6 t/m³. At a lower gold cut-off of 0.4 g/t the total exploration targets ranged from a lower 25Mt at 0.8 g/t gold (0.65Moz) and 3 g/t silver to an upper 45Mt at 0.8 g/t gold (1.16Moz) and 3 g/t silver. It should be noted that the exploration target quantities and grades are conceptual in nature, that insufficient exploration and geological modeling has been undertaken to define Mineral Resources, and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Conclusions & Recommendations: Unconstrained block grade modeling in the South and North areas of the Organullo Project produced good simulations of vein system grade distributions and the scale of the exploration target ranges imply a prospective gold and silver Project.

The Consultant is of the opinion, based particularly on a shorter scan distance (100m), grade estimation work in the area of highest drilling density (in the centre of the Project at and east of the Julio Verne Mine), that further geological analysis of existing data coupled with further focused confirmatory exploration drilling (to validate existing data and to add to it by in-filling and extending) could potentially provide the basis there for the estimation of Mineral Resources (according to JORC). Additional drilling is required to quantify and potentially extend the exploration target.

Limitations exist with the current data with regard to drill hole location accuracy in X Y and Z as well as the lack of downhole surveys. There is also a lack of quality control on drill hole sampling and assaying procedures except for the 2010 Cardero program. Another potential data issue is the effect that reported low sample recoveries from diamond and RC drilling may have on biasing assay results.

In order to potentially upgrade the current exploration targets to Mineral Resources the Consultant recommends additional confirmatory and extensional drilling; full geological interpretation of drill hole intercepts into a vein system; geostatistical analysis; databasing and incorporation of additional surface geochemical data such as trench or traverse sampling; and updated block grade modeling incorporating constrained and statistically rigorous geological controls. There would also appear to be potential to delineate drill targets at other prospect areas within the property that are not encompassed by the exploration target.

Historical Data:

The data used to define the exploration target is primarily derived from drilling programs conducted by previous explorers from 1994-2010. The diamond core program of Cardero's in 2010 is the only drill data where high quality is assured. A Technical Report for Organullo dated November 21, 2011 was prepared by Equity Exploration Consultants Ltd and lodged on Sedar on December 5, 2011. Equity personnel were involved in the 2010 drilling program and that data verified by a QP in the Technical Report.

The 2010 drilling program was subject to quality control measures for the entire program which included lab and field duplicates (quarter core and preparation duplicates), certified standard reference materials and blanks. The QA/QC program did not identify any tampering of samples between the core processing facility and the laboratory. No employees, directors or officials of Cardero Resource Corp. were involved in any aspect of sample preparation. The blank samples did not indicate any evidence of contamination. Analysis of the standard reference material performance indicated several failures but as these failures were within insignificantly mineralized intervals or in abandoned holes that were re-drilled and re-analysis of these samples would not materially upgrade or downgrade the respective intervals. The QA/QC results did not indicate any problems. Review of quarter-core field duplicates and preparation duplicates indicate acceptable levels of precision for both types of duplicates. Analytical accuracy and precision should continue to be monitored in subsequent programs. The results of the 2010 drill program are considered accurate with acceptable levels of precision.

Historical work prior to Cardero's acquisition on the Organullo property and details of quality control procedures are unknown for all the programs. Lab analytical certificates are incomplete and therefore historical data cannot be verified. Drill logs for previous drilling are incomplete and also cannot be verified. Data such as hole locations, dip and azimuth has been field checked by other workers and found to be acceptable where holes have been located.

All drill programs reported low-moderate core and RC sample recoveries, especially in clay altered structural zones such as faults where higher gold grades are reported. Recovery data was recorded for the Cardero diamond drilling program where average recoveries through the 'elevated gold zones' in the drillholes are around 60-70% and decrease to 40-45% in many of the 'higher' grade intervals through 20-40m downhole thickness. It is not known what effect the low-moderate sample recoveries may have on the drill results.

The surface geochemical sampling and geological mapping completed by previous explorers and Artha were used to assist and support the extrapolation of the mineralised zones intersected in drillholes. However, the surface geochemical assay data was not used for grade modelling. Verification of the Cardero and Artha geochemical data is available in the form of sample ledgers, laboratory sample sheets and assay results including QA/QC. Data prior to this cannot be verified. However, the Cardero and Artha data generally support previous work.

The preparation of this report has relied upon field work and observations made at the Organullo property by Cardero, BISA and Artha geologists, historical reports, geological and topographic maps, satellite images, geochemical data and drilling results supplied by Cardero Resources and Artha Resources. All information received from these sources is assumed to be of satisfactory quality for the purpose of this work. Other information is obtained from published material.

Charles Straw, B.Sc., is the qualified person under NI 43-101 responsible for the technical information in this news release.

Artha was founded by a team of mining industry professionals with a proven track record in project generation, exploration, mining and finance. The team's primary goal is to build Artha into a world class mining company, focused on the discovery, development and mining of economic minerals deposits globally.

On Behalf of the Board of Directors,

“Todd McMurray”

President

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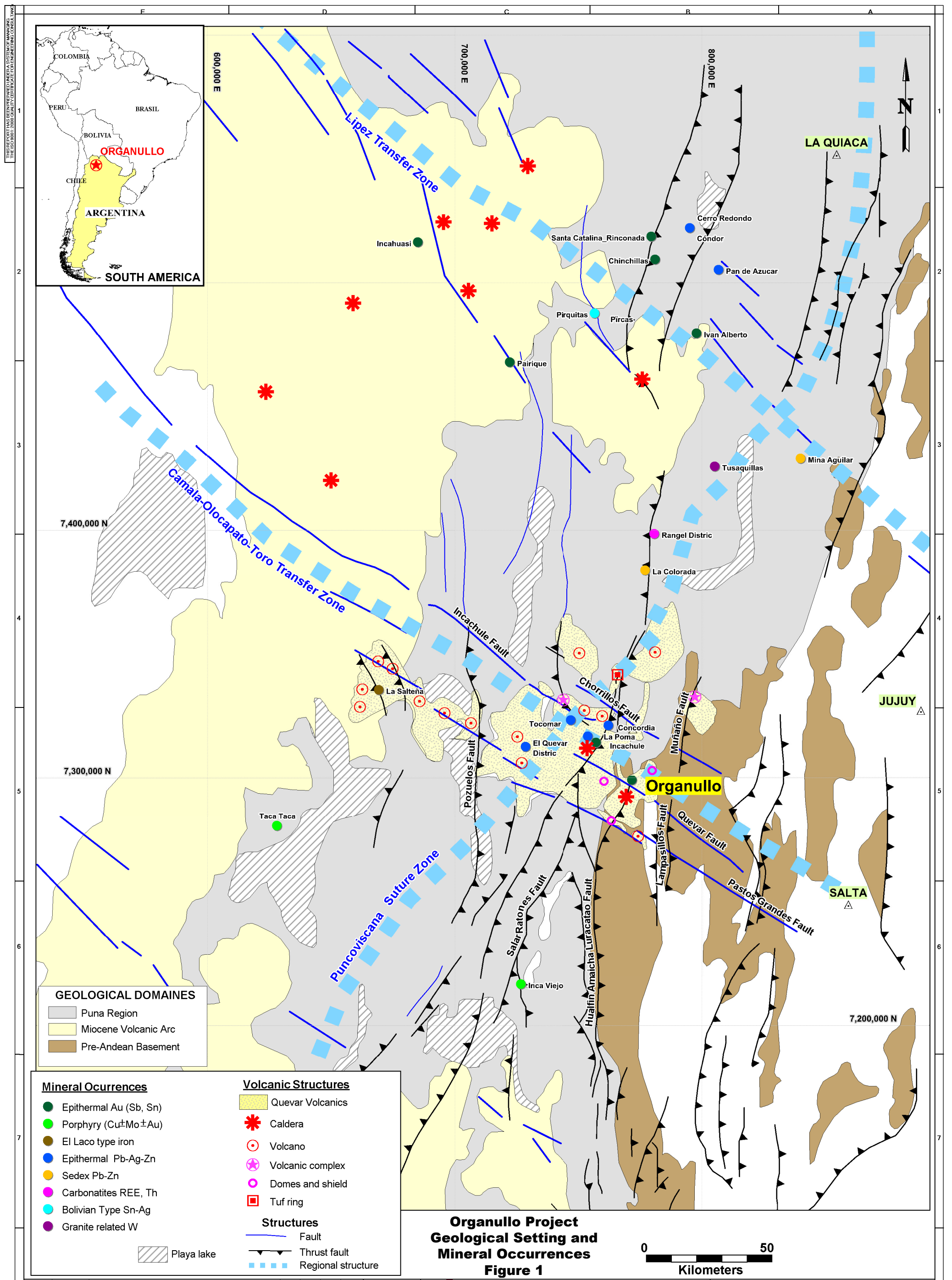
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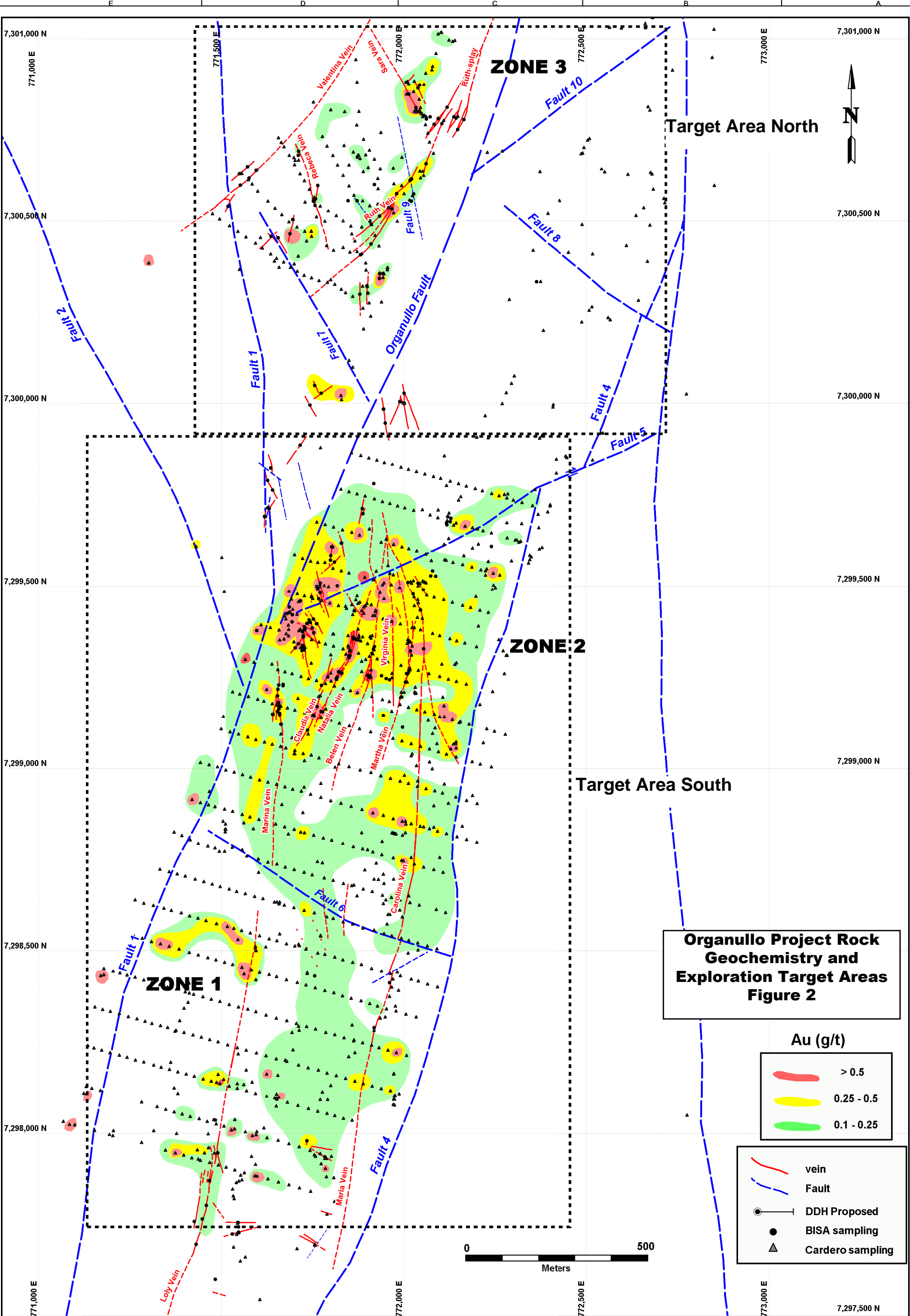
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¹ The information in this Document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Robin Rankin, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and accredited as a Chartered Professional (CP) by the AusIMM in the Geology discipline. Robin Rankin is Principal Consulting Geologist and operator of the independent geological consultancy GeoRes. He has sufficient experience which is relevant to the style of mineralization 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' (the JORC Code). He consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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Organullo Project Rock Geochemistry and Exploration Target Areas Figure 2

