



(an Exploration stage company)

Prepared by Management
For the year ended December 31, 2010

ARTHA RESOURCES CORPORATION

Form 51-102F1 MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2010

General

The following discussion and analysis, prepared as of May 2, 2011, should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2010 and related notes. The Company's financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles. The Company's reporting currency is Canadian dollars. The date of this Management Discussion and Analysis is May 2, 2011. Additional information on the Company is available on SEDAR at www.sedar.com.

Statements in this report that are not historical facts and are forward-looking statements involving known and unknown risks and uncertainties which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Nature of Business

Artha Resources Corporation ("Artha" or the "Company") is a publicly traded mineral exploration company listed on the TSX Venture trading under the symbol "AHC". The Company's main business focus has been to acquire and explore mineral properties in Argentina and Wyoming USA.

Overall Performance

On September 28, 2009 the Company entered into an Option to acquire five exploration properties in Jujuy Province, NW Argentina, two of which adjoin Silver Standard's Pirquitas Mine (the "Option Agreement"). The Option Agreement is with Davcha Resources International Ltd, (DRI) a B.C. registered private company.

The Pirquitas North property is owned by Cardero Resource Corporation whereby under notice of agreement dated January 7, 2007, DRI may earn a 55% interest by incurring exploration expenditures of US\$1.0 million over 4 years. Upon DRI having earned its interest, the parties will enter into a Joint Venture (JV) and thereafter, each party is required to contribute its proportional share of further expenditures or be diluted on a straight-line basis.

The Crosby property was owned by Mr. Guillermo Crosby and was under Option by Silver Star Resources Limited, an Australian registered company (SSR). SSR has assigned its 94% ownership in the Option to DRI for cash and retains a 2% NSR on the property. The total cost of the Option was approximately US\$550,000 which included payments to Mr. Crosby as per the Option agreement made over the last 2 years and to SSR for reimbursement of direct expenditures incurred on the property to date. During 2009, the Company made the full remaining outstanding payments of US\$215,000 and AUD\$169,105 to Mr. Crosby and SSR providing DRI with the title on these two properties as per the agreements with Mr. Crosby and SSR respectively.

Under the Option, DRI agrees to grant to Artha an option ("Option") to acquire the Properties on the following principal terms.

Upon signing the LOI, Artha paid \$25,000 to Davcha.

To exercise the option Artha must issue and allot to Davcha 9,500,000 shares in its capital on the following schedule:

- (a) 1,700,000 shares immediately following the acceptance for filing of a formal option agreement between the parties by the Exchange (“Acceptance Date”);
- (b) 1,700,000 shares one year after the Acceptance Date;
- (c) 1,700,000 shares two years after the Acceptance Date;
- (d) 1,700,000 shares three years after the Acceptance Date;
- (e) 1,700,000 shares four years after the Acceptance Date;
- (f) 1,000,000 shares upon Artha receiving a bankable feasibility report (“BFR”) on one of the Properties within eight years after the Acceptance Date; provided that if the BFR is not received within the said eight years the total consideration will be reduced to 8,500,000 shares of Artha.

On March 6, 2008 the Company completed its Qualifying Transaction as a Capital Pool Company. The Company finalized its letter of intent with Uranium One Americas, Inc. (formerly known as Energy Metals US Corporation (a wholly owned subsidiary of Uranium One), hereinafter referred to as Uranium One.

Subsequent to the signing of the Letter of Intent, the Company entered into the Uranium One Agreement, wherein the Company can earn up to a 70% interest in the Properties.

Pursuant to the Uranium One Agreement, the Company may exercise its right to earn up to a 60% interest in the Properties by:

1. issuing to Uranium One:
 - a. 415,765 Appropriately Adjusted Shares as soon as practicable following the first anniversary of Regulatory Approval;
 - b. a further 465,765 Appropriately Adjusted Shares as soon as practicable following the second anniversary of Regulatory Approval;
 - c. a further 465,765 Appropriately Adjusted Shares as soon as practicable following the third anniversary of Regulatory Approval;
 - d. a further 465,765 Appropriately Adjusted Shares as soon as practicable following the fourth anniversary of Regulatory Approval; and
2. incurring minimum exploration expenditures over a five-year period on one or more Properties. Expenditure obligations, which may be accelerated at the Company's option, are as follows:

- a. \$500,000 within 18 months of Regulatory Approval;
- b. a further \$1,000,000 within 30 months of Regulatory Approval;
- c. a further \$1,000,000 within 42 months of Regulatory Approval;
- d. a further \$1,000,000 within 54 months of Regulatory Approval; and
- e. a further \$1,500,000 within 60 months of Regulatory Approval.

Upon satisfying conditions 1 and 2 above, a 60% interest in the Properties shall vest in the Company.

The timing of the issuance of the aggregated 881,530 Appropriately Adjusted Shares under conditions 1(a) and 1(b) above shall be adjusted, at all times prior to the date of the second anniversary of Regulatory Approval, to the extent necessary to ensure that, following any such issuance, the total number of Voting Securities that Uranium One directly or indirectly beneficially owns, controls, has direction over, or has through a combination of direct or indirect beneficial ownership of and control or direction over, does not exceed 9.99% of the total number of issued and outstanding Voting Securities. In the event that any Appropriately Adjusted Shares are not issued by Artha due to the operation of the foregoing adjustment, Artha shall issue such Appropriately Adjusted Shares to Uranium One as soon as practicable following the third anniversary of Regulatory Approval.

Pursuant to the Second Option, the Company may elect to earn an additional 10% interest in the Properties, or 70% interest in total, by notifying Uranium One Americas, Inc. of its intention to pursue the Second Option, and by paying all exploration and development costs, including the costs of a feasibility study, after the above 60% interest in the Properties vests in the Company and, subject to force majeure provisions, delivering to Uranium One Americas, Inc a feasibility study in respect of one or more of the Properties on or before 18 months after the date such 60% interest in the Properties so vests.

Additional Rights of Uranium One Americas, Inc.

Provided Uranium One Americas, Inc. is not in default of its obligations to the Company under the Uranium One Agreement:

1. Uranium One Americas, Inc. shall hold a right of first refusal to process ores or resins from the Properties that are not processed directly by the Company;
2. Uranium One Americas, Inc. shall have the option to purchase back from the Company an interest in a particular Property as to increase Uranium One's interest in such Property to 50%. If a feasibility study has not been prepared for such Property, Uranium One Americas, Inc. may exercise this right by paying to the Company a cash amount equal to three times the amount of expenditures incurred by the Company on the Properties, within 60 months of Regulatory Approval. If a feasibility study has been prepared for such Property, Uranium One Americas, Inc. may exercise this right by paying to the Company a cash amount equal to five times the amount of expenditures incurred by the Company on the Properties, within 90 days of receiving the feasibility study relating to the Property.

Mineral Properties:

Argentina

Crosby and Pirquitas Norte

The Crosby and Pirquitas Norte properties are located in the north-east of the Province of Jujuy within the Departments of Rinconada and Cochinoca, adjoining on the north, east and west of Silver Standards Pirquitas Silver mine and close to the south-east Bolivian border and north-east limits of Chile.

Crosby and Pirquitas Norte are contiguous with Silver Standard's property line and fall within the very same geological setting. Reconnaissance work has defined five high priority targets. The targets mainly comprise extensions to the Ag-Sn-Zn system of the Pirquitas Mine. Geochemistry work suggests affiliations with low sulphidation gold/silver epithermal deposits.

Vallecito

Vallecito is located in the north-east of the Province of Jujuy within the Departments of Rinconada and Cochinoca and is 32km to the east of the restarted Pirquitas Ag-Sn-Zn mine. The target comprises the potential for Ag-Sn-Zn stockwork systems and a separate vein Cu deposit.

Based on field observations and preliminary analysis, the Company's geologists interpret that there is a large polymetallic vein system hosted in Ordovician rocks consisting of six main mineralized quartz vein sets with stock-working of quartz veinlets and sulphide mineralization between them. The main veins range in width from 0.4 to 2m and appear to be semi-continuous for almost 4km in strike length in a north-east/south-west orientation which is consistent with known large scale mineralization in the region. The mineralized and altered system has a width of over 1.5km with a more intensely altered and mineralized centre extending for 600m in width.

The principal alteration is a moderate to strong intermediate argillic, which occurs as a halo surrounding the main vein system. This alteration consists of quartz veinlets, clays, sericite, pyrite, and iron-oxides replacing feldspar, ferromagnesian minerals and plagioclase. The sulphide mineralization occurs mainly in veins, with chalcopyrite, sphalerite, galena, chalcocite observed in hand specimens with quartz, iron-oxides, manganese-oxides, calcite and barite as gangue.

Rosario and Ichaca

Rosario and Ichaca are located in the north-east of the Province of Jujuy within the Departments of Rinconada and Cochinoca and are 24km and 34km to the SW (respectively) of the restarted Pirquitas Ag-Sn-Zn mine. The properties are located on the east and west flanks of a 12km diameter volcanic ring complex with preliminary government reconnaissance sampling indicating anomalous Sn-Cu-Au.

In the Rosario and Ichaca properties, the main targets are low grade epithermal Au deposits with high tonnage potential.

Rare Earth Properties

The Rare Earth licenses, covering over 40,000 hectares, include the Susques Property, which covers more than 20,000 hectares in southern Jujuy Province, NW Argentina. Susques is known to be

prospective for a variety of rare earths elements, including yttrium, and thorium has been historically mined on a small scale. The local geology is dominated by Ordovician sediments, Tertiary intrusive, and Carbonatites, with little detailed exploration ever being done. Rare earth mineralisation observed to date is hosted in stockwork veins with the host structures up to 10 meters wide.

A short reconnaissance program by AHC geologists in December 2009 targeted Susques where mapping and rock chip sampling identified a number of parallel mineralised veins that have been traced for over 6 km in total strike length. The initial results from this sampling included sample 26954, which returned elevated rare earth elements, including Yttrium.

Additional sampling on this property has shown that elevated levels of some rare earth metals are present on similar vein structures on other parts of the property.

These results are important first indicators of potential mineralization considering the broader geological environment in which they lie. The ratio of heavy to light rare earths is also encouraging. More detailed work is now planned to commence in the coming months to ascertain the extent and economic potential of mineralization.

Wyoming USA

WY Property

The WY property is located in the Shirley Basin Mining District, in Carbon County, Wyoming. Wold Nuclear Corp, a previous operator of the project, explored the property in the 1970's, then documented in a geological report dated September 1978 uranium resources in two separate areas on the property. In the north area, a resource of 877,000 lbs. U₃O₈ contained within 528,000 tons grading 0.083% U₃O₈ at an estimated cutoff of 0.04% U₃O₈. While in the south area, a resource of 493,000 lbs. U₃O₈ contained within 432,000 tons grading 0.058% U₃O₈, using an estimated cutoff grade of 0.03% U₃O₈.

The Company is not treating historical estimates at WY as current mineral resources, as they have not been classified according to CIM resource categories and are non National Instrument 43-101 compliant. Therefore, these historical estimates should not be relied on. While there are no resources established under the current National Instrument 43-101, the Company considers the historical data to be substantial and relevant, as it will be invaluable to guiding further exploration and resource definition.

Clarkson Hill

Clarkson Hill property is located on the southern edge of the Wind River Basin, 26 miles from Casper in Natrona County, Wyoming. Roll-front type uranium mineralization was discovered at Clarkson Hill during the 1950's, but the property was more extensively explored from the 1970's through the mid 1980's. Most of this work was completed by Minerals Exploration Company, a subsidiary of Union Oil. Minerals Exploration and previous companies are reported to have drilled an estimated 383 holes, including 21 core holes, for a total of 124,565 feet. The drilling demonstrated continuity of the deposit, particularly along the mineralized trends.

In the recent Clarkson Hill Uranium Project Mineral Resource Report (43-101 compliant; October, 2007), BRS Inc estimated a new U₃O₈ inferred resource at Clarkson Hill.

GT Minimum	Pounds U3O8	Tons	Average Grade
			% U3O8
0.10	1,148,287	1,051,618	0.055
0.25	939,888	753,611	0.062
0.50	546,136	329,870	0.083

Economics, mining method, and recovery will dictate the appropriate cutoff grade and/or GT to be applied to the in-the-ground resources. The 0.10 GT cutoff estimates were reported to assess the total resource. The 0.25 cutoff is more appropriate for in situ recovery, ISR, and/or conventional mining operations and is recommended for reporting purposes. The 0.50 GT cutoff was employed to highlight the areas of strongest mineralization.

DCB and BL

The DCB property is located in Converse County, Wyoming, while the BL property is located in Sweetwater County, Wyoming. Both prospects have minimal geological data available at this time. However, reports note there is uranium mineralization from historic work.

At December 31, 2010, the Company has dropped its option on the Clarkson Hill, WY, DCB, and BL uranium properties and has written off all related deferred costs.

Selected Information

The following tables provide a brief summary of the Company's financial operations. For more detailed information, refer to the Company's Financial Statements.

Selected annual Information	Fiscal Year		
	2010	2009	2008
Interest income	\$3,925	\$1,903	\$27,983
Total revenue	\$3,925	\$1,903	\$27,983
Net Loss	\$2,178,159	\$451,053	\$470,532
Weighted average number of common shares	28,403,623	13,242,794	10,550,235
Basic and diluted loss per common shares	\$0.077	\$0.034	\$0.045
Total assets	\$4,441,616	\$1,867,239	\$1,160,378
Total liabilities	\$82,490	\$46,402	\$16,184

Summary of Quarterly Results

The following tables provide a brief summary of the Company's financial operations. For more detailed information, refer to the Company's Financial Statements.

	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Total revenues	\$3,053	\$110	\$71	\$691
Net loss	\$1,606,817	\$219,987	\$179,610	\$171,745
Net loss per share	\$0.043	\$0.008	\$0.007	\$0.008
Total assets	\$5,231,049	\$2,638,028	\$2,261,073	\$2,424,588
Total liabilities	\$82,490	\$130,231	\$7,173	\$21,631

	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009
Total revenues	\$138	\$294	\$298	\$1,173
Net loss	\$200,468	\$110,956	\$84,536	\$55,093
Net loss per share	\$0.010	\$0.010	\$0.007	\$0.005
Total assets	\$1,867,239	\$1,114,890	\$1,042,943	\$1,106,475
Total liabilities	\$46,402	\$76,592	\$18,674	\$17,374

Results of Operations

During the three month period ended December 31, 2010, the Company incurred a net loss of \$1,606,817 (2009-\$200,468). The loss includes a write-off of \$855,667 of deferred property expenditures for the Company's Wyoming Clarkson Hill, WY, DCB, BL, and Phosphate properties, non-cash stock based compensation expense of \$563,701 (2009-\$44,147), and consulting expenses of \$83,248 (2009-\$48,531). The increase in consulting fees is due to an increase in corporate and exploration work in Argentina, provision of full-time services by the Corporate Secretary, and an increase in services provided by the President and the CFO. The Company incurred investor relations and promotion expenses of \$53,054 (2009-\$43,104), increased due to the Company becoming more active in increasing investor awareness. The company incurred travel expenses of \$41,857 (2009-\$14,232) due to the increased corporate and exploration work.

During the twelve month period ended December 31, 2010 the Company incurred a net loss of \$2,178,159 (2009-\$451,053). The loss includes the write-off of \$855,667 of deferred property expenditures for the Company's Wyoming Clarkson Hill, WY, DCB, BL, and Phosphate properties, and a non-cash stock based compensation expense of \$590,967 (2009-\$63,851). The loss also includes consulting fees of \$324,291 (2009-\$162,351), the increase in consulting fees is due to the addition of a full time corporate secretary and an increase in services provided by the President and CFO. Further, 20% of the CEO's time is now charged to corporate. The Company incurred investor relations and promotion expenses of \$165,822 (2009-\$46,530) due to the Company becoming more active in increasing investor awareness. The Company also updated its investor relations material; during the twelve month period ended December 31, 2010, the Company attended the PDAC in Toronto, the Cambridge Investment Show, Mineral Exploration Roundup in Vancouver, and San Francisco Hard Asset Show. The loss also includes a write off of Phosphate exploration expenditures of \$69,353 (2009 - \$nil).

During the twelve month period, the Company completed Phase 1 of a reconnaissance mapping and sampling program started during 2009 on the Argentina properties and commenced work on the Argentina Pirquitas and Rare Earth properties. The Company deferred acquisition costs of \$665,803 and deferred exploration costs of \$856,456, a total of \$1,522,259 in deferred costs on these

properties. The Company also acquired Rare Earth Properties in the province of Jujuy and Salta in Argentina by incurring deferred acquisition costs of \$48,708 and deferred exploration costs of \$133,347 for a total of \$182,055 in costs incurred.

Liquidity and Capital Resources

As at December 31, 2010, the Company had working capital of \$2,654,812 (September 30, 2010 - \$115,946), which is sufficient for the Company to meet its ongoing obligations.

On December 3, 2010, the Company completed a private placement of 20,000,000 units at a price of \$0.15 per unit. Each unit consists of one common share of the Company and one-half of one share purchase warrant. Each whole warrant is exercisable at \$0.30, entitling the holder to acquire one additional common share of the Company upon payment, and expires 24 months from the date of closing.

On September 17, 2010, the Company completed a private placement of 4,545,455 units at a price of \$0.11 per unit. Each unit consists of one common share of the Company and one-half of one share purchase warrant. Each whole warrant is exercisable at \$0.25, entitling the holder to acquire one additional common share of the Company upon payment, and expires 24 months from the date of closing.

On March 3, 2010, the Company completed a private placement of 5,923,000 units of the Company at a price of \$0.15 per unit. Each unit consisted of one common share of the Company and one-half of one share purchase warrant. Each whole warrant is exercisable at \$0.25, entitling the holder to acquire one additional common share of the Company upon payment, and expires 24 months from the date of closing.

On March 11, 2010, the Company amended the expiry date of 4,331,286 share purchase warrants with an exercise price of \$0.25 per warrant from March 6, 2010 to September 6, 2010. Pursuant to the Company's news release dated September 2, 2009, the warrants were previously amended from \$0.65 per share to \$0.25 per share.

At present the Company has no producing properties. In the past the Company has financed its operations through the sale of equity securities. The Company expects to obtain financing in the future through the exercise of outstanding stock options and warrants or arranging equity financing. There can be no assurance that the Company will succeed in obtaining additional financing at the time required by the Company.

Commitments

The Company entered into an office sublease for its head office at Suite 1502-543 Granville Street, Vancouver, for three years, commencing on April 1, 2011 and ending March 31, 2014, at yearly base rent of \$60,340. The Company terminated the office sublease for its head office at Suite 1518-800 West Pender Street.

Risk and Uncertainties

The Company is in the mineral exploration and development industry and, as such, is exposed to numerous risks and uncertainties that are not uncommon to other companies in the same industry. The industry is capital intensive and subject to fluctuations in metal prices, market sentiment,

foreign exchange and interest rates. There is no certainty that properties which the Company has deferred as assets on its balance sheet will be realized at the amounts recorded.

The only sources of future funds available to the Company for further exploration programs, or, if such exploration programs are successful, for the development of economic ore bodies and commencement of commercial production thereon, are the issuance of equity capital or offering by the Company of an interest in its properties to another party, to be earned by carrying out further exploration or development on said properties. Although the Company was successful in accessing the equity market during the past year, there is no assurance that such sources of financing will be available on acceptable terms, if at all, in the future. At this time, management has no reason to expect that this capability will diminish in the near term.

Off-Balance Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Related Party Transactions

All transactions with related parties occurred in the normal course of business and were measured at the exchange amount, which was the fair value as agreed between management and the related parties. The balances disclosed in the financial statements were unsecured receivable or payable upon demand and arose from the provision of services, expense reimbursements or advances. All material transactions and balances with related parties are described below.

- During the 12 month period ended December 31, 2010, the Company paid \$35,000 (2009 - \$45,000) for technical review services and evaluation of exploration projects to a director of the Company.
- During the 12 month period ended December 31, 2010, the Company paid \$95,500 (2009 - \$30,000) for geological and corporate services provided by a director also serving as Chief Executive Officer of the Company.
- During the 12 month period ended December 31, 2010, the Company paid \$106,000 (2009 - \$66,000) for professional services provided by a director also serving as President of the Company.
- During the 12 month period ended December 31, 2010, the Company paid \$101,500 (2009 - \$57,000) for professional services provided by a director also serving as Chief Financial Officer of the Company.
- During the 12 month period ended December 31, 2010, the Company paid \$84,500 (2009 - \$6,000) for professional services provided by a director also serving as Corporate Secretary of the Company.

Subsequent Events

Subsequent to December 31, 2010:

- 505,000 warrants were exercised at \$0.20 per share for total proceeds of \$101,000
- 753,000 warrants were exercised at \$0.25 per share for total proceeds of \$188,250.
- The Company appointed George Lim to its Board of Directors. George is a Chartered Accountant with over 35 years of experience in accounting, finance, taxation, and the audit of mining companies and companies in other industries.
- The Company staked rare earth ground of 60,000 hectares in Jasimampa area in the Sierra Norte de Córdoba, Santiago del Estero Province, Argentina.
- The Company entered into an office sublease for its head office at Suite 1502-543 Granville Street, Vancouver, for 3 years commencing on April 1, 2011 and ending on March 31, 2014, at yearly base rent of \$60,340 and terminated the office sublease for its head office at Suite 1518-800 West Pender Street, Vancouver.
- The Company granted 25,000 stock options to Alex Knox at an exercise price of \$0.27, 150,000 stock options to George Lim at an exercise price of \$0.35, and 50,000 stock options at an exercise price of \$0.25 to an employee. The Company also cancelled 115,000 stock options subsequent to year end.
- On April 29, 2011, the Company issued 1,700,000 common shares to Davcha Resources International Ltd. ("DRI") at a deemed price of \$0.32 per share as part of the Company's Option Agreement with DRI.

Outstanding Share Data

As at May 2, 2011, the Company had outstanding:

53,957,742 issued and outstanding common shares
22,133,844 share purchase warrants
4,320,000 directors' & employee incentive stock options

Other Information

The Company has designed and put in place internal controls over financial reporting. The Chief Executive Officer and Chief Financial Officer have reviewed the process and have concluded that the controls in place give reasonable assurance that relevant and reliable financial information is available for financial reporting and for the preparation of interim and annual financial statements in accordance with Canadian GAAP. The Company's internal controls have an inherent weakness in

the area of management override and segregation of accounting duties, in that the accounting staff is small in number and it is not practical or cost effective to increase accounting personnel to enable the segregation of all accounting duties in a company of the Company's size.

In February 2008, the Canadian Accounting Standards Board announced 2011 as the transition date for publicly-listed companies to begin using International Financial Reporting Standards ("IFRS") for financial reporting and financial statement preparation, replacing Canada's own generally accepted accounting principles. The implementation of IFRS for public companies is set for fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010 on its financial statements. The Company has completed a preliminary review of Canadian equivalents to IFRS. At this stage of the transition, no areas have been identified that may have an impact on the financial statements of the Company. The Company has proceeded with an assessment and analysis of conversion issues and identification of accounting policy changes required under IFRS.