



(a capital pool company)

For the year ended December 31, 2007

ARTHA RESOURCES CORPORATION

Form 51-102F1 MANAGEMENT DISCUSSION AND ANALYSIS THE YEAR ENDED DECEMBER 31, 2007

General

The following discussion and analysis, prepared as of February 27, 2008, should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2007 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 February 27, 2008. 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 Capital Pool Company ("CPC") as defined by Policy 2.4 of the TSX Venture Exchange (the "Exchange"). As a result, the Company's current business is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction.

Overall Performance

The Company proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a Non Arm's Length Qualifying Transaction is also subject to Majority of the Minority Approval in accordance with the CPC Policy. The Company currently intends to pursue a Qualifying Transaction in the mining sector but there is no assurance that this will, in fact, be the business sector of a proposed Qualifying Transaction. Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction.

The Company originally signed an arm's-length letter of intent with Energy Metals Corporation ("Energy Metals") of Vancouver, Canada on June 20, 2007 relating to four uranium prospects in Wyoming (the "Properties"). On August 10, 2007, Energy Metals Corporation was acquired by Uranium One Inc.

Subsequent to the signing of the Letter of Intent, the Company entered into an option and joint venture agreement as amended (the "Energy Metals Agreement") with Energy Metals and Energy Metals Corporation (US) ("EMC-USA") the Energy Metals Agreement wherein, the Company can earn up to a 70% interest in the Properties. The Energy Metals Corporation is being proposed as a Qualifying Transaction.

Pursuant to the Energy Metals Agreement, the Company may exercise its right to earn up to a 60% interest in the Properties by, among other things:

1. issuing to Energy Metals:
 - a. 415,765 common shares as soon as practicable following the first anniversary of TSX approval of the Energy Metals Agreement ("Regulatory Approval");
 - b. a further 465,765 common shares as soon as practicable following the second anniversary of Regulatory Approval;
 - c. a further 465,765 common 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, all of which expenditure obligations may be accelerated at the Company's option, 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 common 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 Energy Metals 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 common shares are not issued by Artha due to the operation of the foregoing adjustment, Artha shall issue such common shares to Energy Metals as soon as practicable following the third anniversary of Regulatory Approval.

The Company may elect to earn an additional 10% interest in the Properties (the "Second Option"). for a 70% interest in total, by notifying EMC-USA 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 EMC-USA 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 Energy Metals and EMC-USA under the Energy Metals Agreement

Subject to certain conditions under the Energy Metals Agreement:

1. EMC-USA shall hold a right of first refusal to process ores or resins from the Properties that are not processed directly by the Company;
2. EMC-USA shall have the option to purchase back from the Company an interest in a particular Property as to take EMC's interest in such Property up to 50%. If a feasibility study has not been prepared for such Property, EMC-USA 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, EMC-USA 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; and
3. Energy Metals or its designees shall have the right to participate in any subsequent financing by Artha for a period of twelve months following Regulatory Approval (a "Subsequent Financing"). Such participation shall not exceed the percentage of the Subsequent Financing that the number of common shares issued by the Company to Energy Metals under the Energy Metals Agreement is as a percentage of the total Shares outstanding on the date of such issuance, provided that in no event shall Energy Metals or its designee collectively own or control in excess of 19.98% of the outstanding common shares of Artha as a result of such purchase.

At the Company's next shareholder meeting after February 25, 2008 at which directors of the Company are to be elected, EMC-USA shall have the right to nominate two directors for election, which nominees shall be put forward as by the Company as management candidates for election.

In conjunction with the acquisition of an interest in the property the Company intends to complete a non-brokered private placement to raise gross proceeds of up to \$1,515,950.10 by issuing 4,331,286 units at \$0.35. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable for a period of two years from the closing date into one common share of the Company at a price of \$0.65 per share. Proceeds from the private placement will be used to fund exploration and development work on the advanced uranium properties recently acquired from Energy Metals, as well as general corporate purposes.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of business or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Company's final prospectus dated May 9, 2006 the funds raised pursuant to the Company's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of a potential Qualifying Transaction and not for any deposit, loan or direct investment in a potential acquisition.

On July 4, the Company appointed David Straw as a Director of the Company. David Straw is a geologist with extensive experience in all phases of mineral exploration, property development, joint ventures, mine development, production, valuation and finance across most commodities, including silver, gold, tin, tungsten, base metals, iron ore, mineral sands, uranium and coal. He has world wide experience with companies, governments and individuals and has an intimate

knowledge of all levels of corporate administration. His global experience includes, but is not limited to, Australia, Canada, USA, Mexico, Africa (South, West and Central), Europe and South-East Asia.

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	
	2007	2006
Interest income	\$20,123	\$8,687
Total revenue	\$20,123	\$8,687
Net Loss	\$250,965	\$103,270
Weighted average number of common shares	6,688,216	5,205,238
Basic and diluted loss per common shares	\$0.038	\$0.020
Total assets	\$1,300,346	\$341,862
Total liabilities	\$14,343	\$13,110

Summary of Quarterly Results

	December 31 2007	September 30, 2007	June 30, 2007	March 31, 2007
Total revenues	\$11,054	\$2,969	\$3,086	\$3,014
Net loss	\$166,204	\$64,999	\$18,192	\$1,570
Net loss per share	\$0.024	\$0.010	\$0.003	\$0.0002
Total assets	\$1,300,346	\$265,529	\$324,753	\$336,907
Total liabilities	\$14,343	\$16,323	\$15,043	\$9,725

	December 31 2006	September 30, 2006	June 30, 2006	March 31, 2006
Total revenues	\$3,250	\$3,632	\$1,805	\$0
Net loss	\$45,928	\$11,249	\$37,770	\$8,323
Net loss per share	\$0.007	\$0.002	\$0.009	\$0.003
Total assets	\$341,862	\$380,561	\$409,942	\$149,177
Total liabilities	\$13,110	\$5,206	\$23,338	\$0

For the period from incorporation to December 31, 2007 the Company reported no discontinued operations, no changes in accounting policies and declared no cash dividends.

Results of Operations

As at December 31, 2007, the Company had no operations. The Company incurred a loss of \$250,965 (2006 \$103,270). Expenses relating to the identifying qualifying transaction for fiscal 2007 were \$212,739 (2006 \$72,501). Regulatory and transfer agent fees increased from \$2,622 in 2006 to \$30,679 in 2007 due to the filing of the qualifying transaction. Interest income also increased from \$8,687 in 2006 to \$20,123 in 2007 due to the cash on hand.

Liquidity and Capital Resources

As at December 31, 2007, the Company had working capital of \$1,286,003 (2006 - \$328,752), which is sufficient for the Company to meet its ongoing obligations and meet its objective to complete a Qualifying Transaction.

The increase in working capital is due to the company receiving subscription advance of \$1,164,451 in respect of a non-brokered private placement to raise gross proceeds of up to \$1,515,950.10 by issuing 4,331,286 units at \$0.35. Each unit consists of one common share and one share purchase warrant. Each warrant is exercisable for a period of two years from the closing date into one common share of the Company at a price of \$0.65 per share

On May 09, 2006 the Company completed the initial Public Offering of 3,500,000 common shares at \$0.10 per share for gross proceeds of \$350,000. Union Securities Ltd acted as agent in respect of the offering and received a cash commission of \$45,000 as well as the equivalent of 10% of the number of common shares sold in the offering of 350,000 common shares at \$0.10 per share, exercisable for a period of eighteen months from the date of filing of the common shares on an exchange.

Off-Balance Arrangements

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

Related Party Transaction

In fiscal 2007, the company paid \$25,000 to a director of the company for technical review and evaluation of the qualifying exploration project.

Outstanding Share Data

As at February 27, 2008, the Company had outstanding:

7,000,001 issued and outstanding common shares
665,000 directors & employee incentive stock options

Subsequent Events

On January 28, 2008, the Company appointed William Sheriff to board of directors

Other Information

The Company has designed and put in place internal controls over financial reporting and 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 reporting and for the preparation of interim and annual financial statements in accordance with Canadian GAAP. The 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 this size.