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NEWS
For Immediate Release

TSX-V: AWS

Excellent Snettisham Exploration Sample Test Results

Highlights:

- **Ten grab samples were tested for magnetic separation using a Davis Tube Test: Sample 9 achieved 86.7% that contained 57% Fe, and Sample 4 achieved 57.2% that contained 40.8% Fe. This was very encouraging and further work will be undertaken.**
- **A bulk sampling program will be undertaken in the next few weeks to concentrate the sampling in these two areas to determine the extent of each occurrence.**

Vancouver, B.C. – July 3, 2012, Robert L. Card, President of Arrowstar Resources Ltd. (“Arrowstar” or the “Company”) (TSXV: AWS), is pleased to report that Phillip Thomas, Vice – President Exploration and Director of the Company, has received the final results of the samples taken from Port Snettisham, in Alaska in June 2012.

The Davis Tube Test is a test whereby the iron ore is crushed to approximately 0.15mm and then immersed into water and passed over a magnet for a period of time. At the end of the test, the iron ore sticking to the magnet is weighed and the non-magnetic material weighed and the percentage calculated.

Sample nine achieved excellent results with a recovery of 86.7% of magnetite from the pyroxenite. This means on a commercial scale at 75% efficiency approximately 1.54 units of ROM ore to one unit of magnetite would be produced. This is a very good recovery ratio and keeps waste to a minimum.

Proposals are being reviewed for a ground based aeromagnetic program that is the next step in our exploration program.

Phillip Thomas, BSc, MBus, MAIG, a Qualified Person under National Instrument 43-101, has reviewed the content of this release.

On Behalf of the Board of Directors,
Arrowstar Resources Ltd.

“Robert L. Card”

Robert L. Card
President

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