



NEWS RELEASE

FOR IMMEDIATE RELEASE – July 30, 2010

FOR: Alhambra Resources Ltd.

SUBJECT: Alhambra Announces Proposed Equity Financing

CALGARY, Alberta – Alhambra Resources Ltd. (TSX-V: ALH) (“Alhambra” or the “Corporation”) announces that it has entered into an agency agreement with Pinnacle Capital Ltd. (“Pinnacle”) pursuant to which the parties have agreed that Pinnacle will act as agent in connection with the Corporation's proposed equity private placement.

The Corporation proposes to raise an aggregate amount of up to US\$6,000,000 through the issuance of up to 13,953,488 units (the "Units") at a price of US\$0.43 per Unit. Each Unit will be comprised of one common share of Alhambra and one-half of a common share purchase warrant. Each whole warrant will be exercisable for one common share of Alhambra for eighteen months from closing at an exercise price of US\$0.72 per share. The securities will be subject to hold periods in accordance with TSX Venture Exchange policies and applicable securities laws.

Alhambra has, to date, received from Pinnacle, executed non-binding subscription agreements pursuant to this financing totaling to an aggregate amount of US\$4,000,000 of which US\$1,000,000 has already been deposited with the Corporation's solicitor.

Mr. John J. Komarnicki, Alhambra's Chairman and Chief Executive Officer stated, "Developing a relationship with Pinnacle has been the key in establishing relationships with investors in Hong Kong. We are well aware of the fact that China has made significant investments in Kazakhstan, particularly in the resource sector. We are very excited in this private placement as it clearly indicates that there are many Chinese investors who believe in the quality of Alhambra's assets and in our ability to increase resources, reserves and gold production."

Pursuant to the agency agreement, Pinnacle will receive a cash commission equal to 6% of the gross proceeds of the private placement.

Proceeds from this private placement shall be used for further exploration and development of Alhambra's Uzboy Project in Kazakhstan and for general working capital purposes.

Completion of the financing is subject to satisfaction of usual requirements, including completion of documentation and regulatory approval, including approval of the TSX Venture Exchange.

ABOUT PINNACLE

Pinnacle is a financial company based in Hong Kong focused on fund raising and transactions on the natural resources, energy, agriculture and technology sectors.

ABOUT ALHAMBRA

Alhambra is a Canadian based international exploration and gold production corporation celebrating its eighth year of operations in the Republic of Kazakhstan. Alhambra holds exploration and exploitation rights to a 2.7 million acre (11,000 km²), 100% owned, license called the Uzboy Project, located in the prolific Charsk Gold Belt which hosts numerous world-class gold deposits. Over 100 mineral targets, including 5 advanced exploration plays are contained within the Uzboy Project.

Alhambra common shares trade in Canada on The TSX Venture Exchange under the symbol ALH, in the United States on the Over-The-Counter Market under the symbol AHBRF and in Germany on the Frankfurt Open Market under the symbol A4Y. The Corporation's website can be accessed at www.alhambraresources.com.

Neither the TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the Policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.

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Forward-Looking Statements

Certain statements contained in this news release constitute "forward-looking statements" as such term is used in applicable Canadian and US securities laws. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. In particular, statements that Alhambra will accelerate the recovery of gold contained in work in progress, availability of capital to fund ongoing projects and other factors and events described in this news release should be viewed as forward-looking statements to the extent that they involve estimates thereof. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans, "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and should be viewed as "forward-looking statements". Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors include, among others, ability to raise the total equity funds as proposed, availability of capital to fund exploration and production development; political, social and other risks inherent in carrying on business in a foreign jurisdiction, the effects of a recessionary economy and such other business risks as discussed herein and other publicly filed disclosure documents. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this news release.

Forward looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Corporation undertakes no obligation to update forward-looking statements and if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.

This news release contains forward-looking statements based on assumptions, uncertainties and management's best estimates of future events. When used herein, words such as "intended" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on assumptions by and information available to the Corporation. Investors are cautioned that such forward-looking statements involve risks and uncertainties. Actual results may differ materially from those currently anticipated. The forward-looking statements contained herein are expressly qualified by this cautionary statement.