

ABBASTAR URANIUM CORP. (formerly Abbastar Holdings Ltd.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the Nine Months Ended September 30, 2008

As at November 27, 2008

INTRODUCTION

Abbastar Uranium Corp. (the “Company”, “we”, “our”) is headquartered in Vancouver, BC. The Company’s principal business activity is the acquisition and exploration of properties in the natural resource industry.

On February 13, 2007, the Company and Entourage Mining Ltd. (“Entourage”) entered into an option agreement wherein the Company has been granted the sole option and right to acquire up to 70% of Entourage’s interest (the “Transaction”) in the Doran uranium property (the “Doran Property”) situated in Costebelle Township, on the north shore of the Gulf of St. Lawrence in south-eastern Quebec.

This management discussion and analysis (“MD&A”) is dated as of November 27, 2008 and should be read in conjunction with the unaudited interim financial statements of the Company for the nine months ended September 30, 2008 (“Interim Financial Statements”), our audited financial statements for the year ended December 31, 2007 (“Annual Financial Statements”) and our MD&A for the year ended December 31, 2007.

Our discussion in this MD&A is based on the Interim Financial Statements. The Interim Financial Statements are prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) for interim financial statements and accordingly, certain information and note disclosures normally included in the Annual Financial Statements are omitted. Unless expressly stated otherwise, all financial information is presented in Canadian dollars.

All statements other than statements of historical fact in this MD&A are forward-looking statements. These statements represent the Company’s intentions, plans, expectations and beliefs as of the date hereof, and are subject to risks, uncertainties and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements. Readers should not place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Changes in Accounting Policies

On January 1, 2008, the Company adopted new accounting standards issued by the Canadian Institute of Chartered Accountants (“CICA”) relating to capital disclosures and financial instruments disclosure and presentation.

Capital Disclosures – (CICA Handbook Section 1535) establishes standards for the disclosure of (i) an entity’s objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

Other than the additional disclosure in Note 11 to the Interim Financial Statements, the adoption of this Section

has had no impact on the Company's Interim Financial Statements.

Financial Instruments – Disclosures - (CICA Handbook Section 3862) requires an increased emphasis on disclosing the nature and the extent of risk arising from financial statements and how the entity manages those risks. This section, together with Section 3863, "Financial Instruments – Presentation", replaced Section 3861, "Financial Instruments – Disclosure and Presentation".

Financial Instruments – Presentation - (CICA Handbook Section 3863) establishes standards for presentation of financial instruments and non-financial derivatives.

Other than the additional disclosure in Note 12 to the Interim Financial Statements, the adoption of these Sections has had no impact on the Company's Interim Financial Statements.

Future Accounting Changes

The Company will adopt the new standard "Goodwill and Intangible Assets" (Section 3064) for its fiscal year beginning January 1, 2009. This Section replaces Section 3062 "Goodwill and Other Intangible Assets" and Section 3450 "Research and Development Costs". The new Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in Section 3062. The Company is currently evaluating the impact of the adoption of this new Section on its financial statements.

In addition to the above new accounting pronouncements the Canadian Accounting Standards Board ("AcSB") in 2006 published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") over a five-year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-accountable enterprises to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. For the Company, the transition date will be effective January 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

OVERALL PERFORMANCE

On February 4, 2008, the Company announced results from Doran Phase III on all 15 holes drilled during 07Q4. The program was comprised of 1,691 meters of drilling and was designed to test the area between the North End Zone and the Hot Spot Zone, the lateral extent of the Hot Spot Zone and to determine the South extension and thickness of the Hill Top Zone pegmatite, all of which are part of the Doran Showing.

During 08Q1, Watts, Griffis and McOuat Limited (“WGM”), Consulting Geologists and Engineers, conducted an independent review of Doran Phase I, II and III. WGM recommended that a very detailed review and evaluation of all data be compiled and interpreted to identify priority targets. WGM would undertake this further mapping and geophysical work for the Company.

On July 15, 2008, the Company announced a non-brokered private placement of 2,000,000 units (“Unit1”) at a price of \$0.16 per Unit1 for gross proceeds of \$320,000. Each Unit1 will consist of one common share and one common share purchase warrant. One common share purchase warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.21 for a period of one year. The proceeds from the private placement will be used for general working capital purposes. In addition, the Company announced the termination of the letter of intent announced on May 28, 2008, and the approval of the Company’s new share option plan which increased the number of shares reserved for issuance from 10% of outstanding shares of the Company to 2,500,000 shares.

On August 20, 2008, the Company announced the appointment of Mr. John B. Good as President and CEO, replacing Mr. Gary Schroeder.

On August 26, 2008, the Company announced the closing of the private placement announced on July 15, 2008.

During 08Q3 the Company completed its fall 2008 exploration campaign. The fall 2008 exploration campaign consisted of channel sampling of previously unexplored anomalies (F, G, H, I, K and LL) situated WSW of the L anomaly that was drilled in the spring of 2007. Additionally, anomalies E, Q, BB, S and RR, located due south of the L anomaly were also tested. Partial results from this program have been received, however, the Company will release these findings when the complete sample array has been evaluated.

THE DORAN PROPERTY

The Doran Property consists of 47 contiguous mineral claims covering approximately 2,500 hectares in the Baie Johan Beetz area of Costebelle Township, Quebec, NTS map sheet 12 L/08. The Doran Property is located in the southeastern part of Quebec, along the north shore of the Gulf of St. Lawrence, approximately 18 kilometers west of Aguanish and 109 kilometers east of Havre St. Pierre. The property extends inland from the Gulf of St. Lawrence a distance of approximately 10 kilometers to the north. The topography of the property for the most part is rolling hills having a maximum relief of 100 meters with elevation ranging from sea level to 100 meters. All mineralized areas of interest are located above sea and river levels.

In March 2005, Entourage entered into an option agreement with Fayz Yacoub (the “Vendor”) to acquire a 100% interest in the Doran Property, subject to a 2½% NSR of which 1½% may be purchased by Entourage from the Vendor for \$1,750,000 on the basis of \$100,000 for each one-tenth percent of the NSR on the first 1% NSR and \$150,000 for each one-tenth percent of the NSR on the remaining ½% NSR. In order to exercise the

option and acquire its interest Entourage was to, over a period of three years, make cash payments totaling \$220,000, issue 750,000 Entourage shares and incur at least \$1,000,000 of expenditures on the property. Entourage reported that during 2005 and 2006 they incurred almost \$600,000 in exploration work on the property. In combination with the \$1,473,649 in mineral exploration expenditures incurred by the Company to date, Entourage has met its expenditure requirements with the Vendor. In addition, Entourage has issued all 750,000 shares to the Vendor and made cash payments totaling \$145,000. The final cash payment of \$75,000 due March 15, 2008 was made by the Company on behalf of Entourage. Entourage has satisfied all of the Vendor's requirements to acquire a 100% interest in the Doran Property.

On May 11, 2007, the Company announced that drilling had commenced on the L anomaly of the Doran Property. In total, 32 holes were drilled in four anomalies (L, N, X and Y) for a total of just under 3,300 meters. At that time, there were 17 identified anomalies on the Doran Property. A total of 1,158 samples were analyzed representing 2,469 linear meters or 75% of the drill-hole length. The results of Doran Phase II were announced August 23, 2007. All 32 holes identified near or at-surface uranium mineralization. A total of \$930,271 has been incurred on mineral exploration expenditures on Doran Phase II to date.

The following are samples of our results:

H17A (L anomaly): 16.99 meters of 0.0435% U₃O₈ (0.87 lbs/ton),

H18 (L anomaly): 24.1 meters of 0.033% U₃O₈ (0.66 lbs/ton) (including 16.5 meters of 0.73 lbs/ton),

H18A (L anomaly): 7.25 meters of 0.023% U₃O₈ (0.46 lbs/ton),

H19 (L anomaly): 3.52 meters of 0.039% U₃O₈ (0.78 lbs/ton),

H22 (L anomaly): 18.44 meters of 0.024% U₃O₈ (0.48 lbs/ton),

H27 (L anomaly): 5.8 meters of 0.033% U₃O₈ (0.66 lbs/ton),

H31 (N anomaly): 0.66 meters of 0.29% U₃O₈ (5.8 lbs/ton) (at surface).

The objective of Doran Phase II was to determine the extent and continuity at depth of uraniferous occurrences encountered in the 2006 surface campaign carried out by Entourage with a particular emphasis on the L anomaly where 18 holes were drilled to evaluate the lateral and depth extensions of this zone. The first four drill holes (17, 17A, 18 and 18A), which were drilled at different azimuths and dip angles and were set up to test the L19 anomaly, recorded encouraging near surface results including 16.99 meters (55 feet) of 0.87 lbs/ton U₃O₈ and 24.1 meters (79 feet) of 0.66 lbs/ton U₃O₈. As well, H27 and H27A intersected three and four pegmatite intervals respectively. The first pegmatite interval in H27 (near surface), returned 0.66 lbs/ton U₃O₈ over 5.8 meters. The L anomaly remains open in all directions since lateral and depth extensions are unknown and will be the focus of a future drill program.

Doran Phase II confirmed the existence of uranium mineralization in the northeast grid (L, N, X and Y

anomalies). The assay results corroborated the channel sample results of 2006 that showed mineralization to be non-uniformly distributed among the pegmatites and even within each pegmatite. Moreover, new uraniferous zones were delineated and thus increased the mineral potential of the property. Drill holes revealed that the thickness of the radioactive pegmatites range from one meter to roughly 20 meters along holes and are presented as sub-parallel multiple slabs slightly dipping to the west and separated from each other by sterile rocks. All pegmatites have been intersected at a maximum of 90 vertical meters from surface.

Senior Project Geologist, Michel Proulx, P. Geo, M.Sc., a qualified person as defined in National Instrument 43-101, recommended a 2,000 meter drill program for Fall 2007 ("Doran Phase III") on the Doran Showing (Main Zone) and a 4,000 meter drill program on the L anomaly and the north-east grid ground radiometric anomalies in the Spring of 2008 to provide a better understanding of the characteristics of the uranium-bearing pegmatite bodies, the structural geology context and uranium phase minerals.

Doran Phase III was completed in early November on the Doran Showing ("Main Zone"). In total, 15 holes were drilled for a total of just less than 1,700 meters before drilling was terminated due to poor weather. This campaign was designed to further delineate the Doran Showing where Entourage drilled in the summer of 2006.

The Doran Showing consists of four distinct pegmatite-bearing structures: the Main Zone, the North End Zone, Dyke Zone and Hot Spot Zone. The Company had considered a plan to mobilize two drills in order to drill the Doran Showing and the L anomaly concurrently but was unable to secure two drill rigs.

The Doran Showing is located within 2,100 meters of Provincial Highway 138 at the southern portion of the Doran Property where a 2006 diamond drill program, comprised of 1,196 meters in 16 drill holes, confirmed the existence of uranium mineralization at the Doran Showing (Main Zone, North End Zone, Dyke Zone and Hot Spot Zone).

Five new uraniferous pegmatite zones were discovered during Doran Phase III. The combined 31 drill holes (Doran Phase I and Doran Phase III) cover an area of approximately 275 meters long and 200 meters wide.

ABBASTAR URANIUM CORP. (formerly Abbastar Holdings Ltd.)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008

Sample results from Doran Phase III include:

Hole	Interval (m)			U3O8 %	Interval (ft)			U (lbs/t)
	From	To	Length		From	To	Length	
44	47.67	52.95	5.28	0.036	156.40	173.72	17.32	0.71
includes	47.67	48.58	0.91	0.099	156.40	159.38	2.99	1.98
45	49.30	49.87	0.57	0.097	161.75	163.62	1.87	1.93
47	9.65	18.90	9.25	0.018	31.66	62.01	30.35	0.36
includes	9.65	11.28	1.63	0.032	31.66	37.01	5.35	0.64
and	17.38	18.90	1.52	0.038	57.02	62.01	4.99	0.75
	101.65	102.74	1.09	0.028	333.50	337.07	3.58	0.57
50	10.67	12.23	1.56	0.027	35.01	40.12	5.12	0.54
51	6.24	9.20	2.96	0.026	20.47	30.18	9.71	0.52
includes	7.62	9.20	1.58	0.036	25.00	30.18	5.18	0.73
54	60.42	63.22	2.80	0.041	198.23	207.41	9.19	0.83
includes	60.42	61.52	1.10	0.051	198.23	201.84	3.61	1.02
55	3.20	16.77	13.57	0.017	10.50	55.02	44.52	0.33
includes	8.85	16.77	7.92	0.022	29.04	55.02	25.98	0.44
includes	8.85	12.50	3.65	0.026	29.04	41.01	11.98	0.53
and	8.85	10.67	1.82	0.037	29.04	35.01	5.97	0.75
56	10.90	27.68	16.78	0.023	35.76	90.81	55.05	0.46
includes	17.57	27.68	10.11	0.030	57.64	90.81	33.17	0.60
includes	17.57	21.25	3.68	0.040	57.64	69.72	12.07	0.81
and	22.87	25.91	3.04	0.036	75.03	85.01	9.97	0.72
	68.50	70.00	1.50	0.067	224.74	229.66	4.92	1.33
57	45.12	48.71	3.59	0.029	148.03	159.81	11.78	0.58
includes	47.60	48.71	1.11	0.064	156.17	159.81	3.64	1.28
	56.17	61.60	5.43	0.015	184.28	202.10	17.81	0.30
58	71.74	76.68	4.94	0.020	235.37	251.37	16.21	0.40
includes	73.00	74.41	1.41	0.050	239.50	244.13	4.63	1.01
	106.70	108.84	2.14	0.026	350.07	357.09	7.02	0.53

As at September 30, 2008, a total of \$339,458 in mineral exploration expenditures has been incurred by the Company on Doran Phase III.

To date the Company has earned a 20% interest in the Doran Property and has incurred \$973,649 of the one million dollars required to earn an additional 15% interest. Additionally, 63 drill holes, covering approximately 6,200 meters, have been completed on five of 22 anomalies identified on the Doran Property. Over \$2 million in mineral exploration expenditures have been incurred by the Company and Entourage on the Doran Property to date.

RESULTS OF OPERATIONS

	Three months ended September 30,			Nine months ended September 30,		
	2008	2007	Chg	2008	2007	Chg
	\$	\$	%	\$	\$	%
Expenses						
Amortization	30	37	(22)	89	111	(21)
Bank charges	84	268	(69)	227	1,754	(87)
Consulting fees	13,287	26,901	(51)	61,361	29,901	105
Corporate communications	30,440	10,616	187	37,815	17,416	117
Management fees	29,250	35,500	(18)	80,250	77,250	4
Mineral exploration expenditures	556	100,574	(99)	38,465	928,930	(96)
Mineral property payment	-	-	--	75,000	-	--
Office and miscellaneous	10,243	11,182	(8)	35,158	21,070	67
Professional fees	75	600	(88)	8,090	22,910	(65)
Regulatory and transfer agent fees	12,162	11,596	5	22,856	37,900	(40)
Salaries	25,555	-	--	76,920	-	--
Stock-based compensation	44,831	16,980	164	55,690	220,395	(75)
Travel and promotion	2,127	16,148	(87)	10,859	28,970	(63)
Loss from operations	(168,640)	(230,402)	(27)	(502,780)	(1,386,607)	(64)
Other items						
Interest income	2,945	1,861	58	7,059	6,342	11
Future income tax recovery	-	-	--	232,500	-	--
Net income (loss) for the period	(165,695)	(228,541)	(27)	(263,221)	(1,380,265)	(81)

After completing Doran Phase III, management shifted its focus to evaluate/acquire other assets to complement the Doran Property. Accordingly, mineral exploration expenditures of \$556 and \$38,465 (\$113,465 including the \$75,000 mineral property payment) for the three and nine months ended September 30, 2008 represents only 0.4% and 25% of total expenses, after backing out stock-based compensation, compared to representing 47% and 80% of total expenses during the three and nine months ended September 30, 2007.

Total expenses, excluding mineral exploration expenditures and stock-based compensation, for the three and nine months ended September 30, 2008 amounted to \$123,253 and \$333,625, an increase of \$10,405 (9%) and \$96,343 (41%) over the 2007 comparative period. The engagement of Carlyle Capital Corporation, which is paid \$10,000 per month, additional salaries and higher consulting fees offset by lower professional, regulatory and transfer agent fees accounted for much of the increase. Most of the increase in office and miscellaneous expense is attributed to a rent increase effective April 1, 2007.

During 08Q1 the Company filed claims for renouncing Canadian exploration expenditures totaling \$750,000 with Canada Revenue Agency. The tax impact to the Company of the renouncement is recorded on the date

that the renunciation is filed with taxation authorities through a decrease in share capital and the recognition of a future tax liability. When flow-through expenditures are incurred, a portion of the future income tax assets that were not previously recognized, due to the recording of a valuation allowance, are recognized as a recovery of income taxes in the statements of operations.

SUMMARY OF QUARTERLY RESULTS

	2008			2007				2006
	September 30	June 30	March 31	December 31	September 30	June 30	March 31	December 31
Net income (loss)	\$ (165,695)	\$ (106,096)	\$ 8,570	\$ (434,125)	\$ (228,541)	\$(1,110,954)	\$(40,770)	\$ (74,301)
Loss per share ⁽¹⁾	\$ (0.01)	\$ (0.01)	\$ 0.00	\$ (0.03)	\$ (0.02)	\$ (0.11)	\$ (0.00)	\$ (0.01)

⁽¹⁾ Fully diluted loss per share has not been calculated, since it would be anti-dilutive.

Prior to 07Q2, expenses incurred from one quarter to the next were basically the same. Variations occurred during quarters where stock-based compensation was recorded, higher professional fees were incurred or payables associated with the previous business were written-off.

Since 07Q2 quarterly results have varied mainly due to mineral exploration expenditures. During 08Q3, our average monthly administrative spend was \$41,100, up from the average monthly spend during each of 08Q2 - \$32,600, 08Q1 - \$37,500, 07Q4 - \$31,500 and all of 2007 - \$27,600. The higher monthly average is a result of the Transaction entered into during 07Q1. Salaries and management fees have increased from \$12,000 per month (one full-time; two part-time) during 07Q3 to \$21,000 per month (two full-time; two part-time) during 08Q3.

With the appointment of our new President and CEO and our engagement of Carlyle Capital Corporation (see Investor Relations section), we expect our average monthly administrative and marketing spend to maintain at approximately \$42,000.

LIQUIDITY AND CAPITAL RESOURCES

Financial Position

As at	September 30, 2008 \$	December 31, 2007 \$	Change %
Cash and cash equivalents	236,290	243,834	(3)
Other current assets	86,774	117,080	(26)
Interest in mineral property	100,000	100,000	-
Other assets	501	590	(15)
	423,565	461,504	(8)
Current liabilities	138,188	74,096	86
Shareholders' equity	285,377	387,408	(26)
	423,565	461,504	(8)
Cash dividends declared per share	-	-	

As at September 30, 2008, total assets have decreased by \$37,939, or 8% since December 31, 2007. The decrease is attributed to cash used to fund operations during the nine months ended September 30, 2008 and receipt of payments in regards to GST and promissory note receivable. Over the same period, total liabilities have increased by \$64,092. The increase is attributable to \$72,500 in interest-free loans from investors received in connection with the private placement announced on July 28, 2008 and cancelled on October 10, 2008, all of which were subsequently repaid in November 2008. The offsetting balance of \$8,408 is comprised of lower payables and accruals.

As at September 30, 2008, the Company had net working capital of \$184,876 compared to net working capital of \$286,818 at December 31, 2007.

In addition to the \$320,000 in proceeds received from the recently completed private placement the Company just received \$480,000 in refundable tax credits from the Province of Quebec in connection with eligible mineral exploration expenditures incurred on the Doran Property for the year ended December 31, 2007.

Changes in Cash Position

	Three months ended September 30,		Nine months ended September 30,	
	2008 \$	2007 \$	2008 \$	2007 \$
Cash flows:				
Cash outflow from operating activities	(172,982)	(409,578)	(356,544)	(1,311,760)
Cash inflow from financing activities	320,000	520,000	338,000	1,655,000
Cash inflow (outflow) from investing activities	70,000	2,752	186,000	(108,410)
Increase in cash	217,018	113,174	167,456	234,830

The \$236,596 and \$955,216 decrease in cash outflow from operations recorded during the three and nine months ended September 30, 2008 versus the comparative periods in 2007 is primarily due to the \$100,018 and \$815,465 decrease in mineral exploration expenditures incurred during the three and nine months ended September 30, 2008 compared to the comparative periods in 2007.

The decrease in cash inflow from financing activities during the three and nine months ended September 30, 2008 versus 2007 is due to less funds raised during 2008 compared to 2007.

Cash inflow from investing activities during 08Q3 relates to the redemption of \$70,000 in guaranteed investment certificates.

Share Capital

The total number of common shares issued and outstanding as at the date of this report and September 30, 2008 is/was 14,887,830. On December 31, 2007, the total number of common shares issued and outstanding was 12,797,830. On August 25, 2008, 2,000,000 common shares were issued in connection with the private placement announced on July 14, 2008 for gross proceeds of \$320,000.

As of the date of this report there were 2,000,000 warrants outstanding exercisable at \$0.16 per share in connection with the private placement announced on July 14, 2008.

As of the date of this report there were 1,805,000 stock options outstanding, with a weighted average exercise price of \$0.25 per share. During the nine months ended September 30, 2008, 1,440,000 stock options were granted at a weighted average exercise price of \$0.22 per share and 475,000 stock options with a weighted average exercise price of \$0.44 per share were cancelled. Of the total stock options outstanding 1,006,875 are currently exercisable with a weighted average exercise price of \$0.27 per share. The expiration dates of the outstanding stock options range from August 10, 2011 to August 21, 2013. The stock options granted during 08Q3 vest and become exercisable as to 25% immediately, then 12.5% per quarter thereafter.

Future Cash Requirements

The Company's future capital requirements will depend on many factors, including, among others, property acquisitions and future mineral exploration expenditures. Should the Company wish to acquire a greater than 35% interest in the Doran Property or other properties, additional funding will be required. The Company believes that its current capital plans and requirements can be funded from existing cash on hand and short-term advances from related parties, if need be. To the extent that the Company continues to incur losses and these resources are insufficient to fund the Company's recurring losses until profitability is reached, the Company will need to raise additional funds through debt or equity financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the

Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may be required to delay future mineral exploration expenditures or property acquisitions.

RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. The period-end balances are unsecured, non-interest bearing, without specific terms of repayment and have arisen from the provision of services and loan advances described.

During the three and nine months ended September 30, 2008, the Company incurred \$3,750 and \$3,750 (2007 - \$nil and \$nil) in management fees and \$7,500 and \$7,500 (2007 - \$nil and \$nil) in salary to its President and at September 30, 2008 the Company owes this individual an aggregate of \$3,750 (December 31, 2007 - \$nil) for fees.

During the three and nine months ended September 30, 2008, the Company incurred \$7,500 and \$22,500 (2007 - \$17,500 and \$37,500) in management fees and \$15,000 and \$45,000 (2007 - \$nil and \$nil) in salary to its former President and at September 30, 2008 the Company owes this individual an aggregate of \$2,752 (December 31, 2007 - \$nil) for fees and cash advances.

During the three and nine months ended September 30, 2008, the Company incurred \$12,000 and \$36,000 (2007 - \$12,000 and \$27,750) in management fees to a director and at September 30, 2008 the Company owes this individual an aggregate of \$4,200 (December 31, 2007 - \$nil) for fees.

INVESTOR RELATIONS

On July 15, 2008, the Company entered into an investor relations agreement with Carlyle Capital Corporation ("Carlyle") of Vancouver, British Columbia. The term of the agreement is for nine months. Carlyle will be paid a monthly fee of \$10,000 plus applicable taxes and was granted 250,000 stock options.

RISKS AND UNCERTAINTIES

The Company is engaged in the acquisition and exploration of mineral properties, an inherently risky business, and there is no assurance that an economic deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The geological focus of the Company is on areas in which the geological setting is well understood by management.

The price of uranium is affected by numerous factors beyond the control of the Company including strategic stock pile sales, the relative exchange rate of the U.S. dollar with other major currencies, demand, political and

economic conditions and production levels. In addition, the price of uranium has been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may explore for have the same or similar price risk factors.

ADDITIONAL INFORMATION

Additional information pertaining to the Company is available on the SEDAR website at www.sedar.com.