

ABBASTAR URANIUM CORP. (formerly Abbastar Holdings Ltd.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2008

As at April 28, 2009

INTRODUCTION

Abbastar Uranium Corp. (the “Company”, “we”, “our”) is headquartered in Vancouver, BC.

This management discussion and analysis (“MD&A”) of our results of operations, liquidity and capital resources, transactions with related parties, financial position, and other information is dated as of April 28, 2009. This MD&A should be read in conjunction with the audited financial statements of the Company and the notes thereto for the years ended December 31, 2008 and 2007. The audited financial statements are prepared under Canadian generally accepted accounting principles. 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 10 the adoption of this Section has had no impact on the Company’s 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 11, the adoption of these Sections has had no impact on the Company's 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 on 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. 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.

On July 15, 2008, the Company announced a non-brokered private placement of 2,000,000 units ("Unit") at a price of \$0.16 per Unit for gross proceeds of \$320,000. Each Unit consisted 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 were 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 08Q4 the Company completed its fall 2008 exploration campaign. The fall 2008 exploration campaign consisted of line cutting, scintillometer prospecting, ground based radiometric and magnetic surveys, channel sampling and geological mapping. A technical report entitled "Technical Report and Recommendations - The Doran Property, Aguanish, Lower North Shore, Quebec, Canada NTS sheet 12L08" dated February 19, 2009 (the "Technical Report") was commissioned to review the results of the drilling campaigns in 2006 and 2007 and to present the results of the fieldwork undertaken on the Northern and Southern sections of the Doran Property in October of 2008. The Technical Report was prepared by Mr. Michel Boily, Ph.D., P.Geol., an independent "qualified person" as that term is defined in National Instrument 43-101 and by Luc Lepage, B.Sc. (Geology). The Technical Report is available on SEDAR at www.sedar.com.

Results of the 2008 ground-based radiometric survey on the North section of the Doran Property demonstrated a good spatial correlation between the highest count rates and the localization of the previously determined airborne anomalies BB, P, Q, R and S. The G zone represents the most interesting uranium site with an average value of 0.56 lbs/t U3O8 from 22 samples collected with a range of 0.06 to 0.88 lbs/t U3O8, with a high value at 3.11 lbs/t U3O8. Nearby anomalies F (0.63 lbs/t U3O8 from 6 samples with a range of 0.27 to 1.20 lbs/t U3O8) and H (0.50 lbs/t U3O8 from 4 samples with a range of 0.21 to 1.06 lbs/t U3O8) also displayed relatively high uranium values. On the South section of the Doran Property, "the large extent of the radioactive pegmatite outcrops, the encouraging assays obtained and the proximity of the West Zone to the Main Doran Showing makes the former a prime target for future drilling".

The Technical Report recommends a two phase drilling program on the North and South sections of the Doran Property budgeted at \$763,320 and \$1,043,151 respectively.

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 Mining Ltd. (“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. In combination with the \$1,518,476 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 \$933,404 has been incurred on mineral exploration expenditures on Doran Phase II to date.

Doran Phase III was completed in early November 2007 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. As at December 31, 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 35% interest in the Doran Property and has incurred \$18,476 of the one million, five hundred thousand 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 \$2.1 million in mineral exploration expenditures have been incurred by the Company and Entourage on the Doran Property to date.

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SELECTED ANNUAL INFORMATION

	Year ended December 31,			Year ended
	2008	2007	Chg	December 31,
	\$	\$	%	2006
	\$			
Loss from operations	(812,093)	(1,825,513)	(56)	(158,598)
Loss from operations - per share ⁽¹⁾	(0.06)	(0.16)		(0.02)
Net loss	(76,664)	(1,814,390)	(96)	(156,691)
Net loss - per share ⁽¹⁾	(0.01)	(0.16)		(0.02)

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

RESULTS OF OPERATIONS

	Three months ended December 31,			Year ended December 31,		
	2008	2007	Chg	2008	2007	Chg
	\$	\$	%	\$	\$	%
Future income tax recovery	-	-	--	232,500	-	--
Gain of settlement of accounts payable	15,491	-	--	15,491	-	--
Exploration tax credit	479,439	-	--	479,439	-	--
Interest income	940	4,781	(80)	7,999	11,123	(28)
Amortization	29	36	(19)	118	147	(20)
Bank charges	101	394	(74)	328	2,148	(85)
Consulting fees	10,500	22,934	(54)	71,861	52,835	36
Corporate communications	30,000	6,491	362	67,815	23,907	184
Management fees	12,000	25,500	(53)	92,250	102,750	(10)
Mineral exploration expenditures	156,697	308,333	(49)	195,162	1,237,263	(84)
Mineral property payment	-	-	--	75,000	-	--
Office and miscellaneous	9,726	7,661	27	44,884	28,731	56
Professional fees	16,370	10,191	61	24,460	33,101	(26)
Regulatory and transfer agent fees	816	1,636	(50)	23,672	39,536	(40)
Salaries	31,062	16,077	93	107,982	16,077	572
Stock-based compensation	39,307	36,098	9	94,998	256,493	(63)
Travel and promotion	2,704	3,555	(24)	13,563	32,525	(58)
	309,312	438,906	(33)	812,093	1,825,513	(56)
Net income (loss)	186,558	(434,125)	(143)	(76,664)	(1,814,390)	(96)

After completing Doran Phase III, management shifted its focus to evaluate/acquire other assets to complement the Doran Property. Accordingly, mineral exploration expenditures of \$156,697 and \$195,162 (\$270,162 including the \$75,000 mineral property payment) for the three months and year ended December 31, 2008 represents only 58% and 38% of total expenses, after backing out stock-based compensation, compared to representing 77% and 79% of total expenses during the three months and year ended December 31, 2007.

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Total expenses, excluding mineral exploration expenditures and stock-based compensation, for the three months and year ended December 31, 2008 amounted to \$113,308 and \$446,933, an increase of \$18,833 (20%) and \$115,176 (35%) over the 2007 comparative period.

Interest income consists of interest earned from funds on deposit with financial institutions (2008 - \$6,428, 2007 - \$8,625), as well as interest earned from the promissory note receivable from a non-related entity (2008 - \$1,571, 2007 - \$2,498). Lower interest income for the year ended December 31, 2008 compared to 2007 is a result of lower funds on deposit and lower interest rates, and the repayment of the promissory note receivable on December 1, 2008.

Consulting fees for the year ended December 31, 2008 were higher than the comparative period in 2007 due to business development costs of approximately \$58,000 (2007 - \$53,000), and consulting services of approximately \$13,800 (2007 - \$nil).

Corporate communications for the year ended December 31, 2008 were higher than the comparative period in 2007 as a result of the engagement of Carlyle Capital Corporation, which was paid a total of \$60,000 (2007 - \$nil) during 2008.

Management fees have decreased from \$8,500 per month (one full-time, two part-time) during 07Q4 to \$4,000 per month (two part-time) beginning in 08Q4.

Office and miscellaneous expenses for the year ended December 31, 2008 were higher than the 2007 comparative period as a result of the implementation of a new website during 08Q1 and setup costs associated with a new employee. In addition, rent expense was 28% higher in 2008 due to a combined monthly rent increase in mid 2007 and the loss of a credit associated with a terminated sub-lease arrangement.

Overall, professional fees for the year ended December 31, 2008 were lower than the comparative period in 2007. Although accounting and audit fees incurred during 2008 were higher than fees incurred in 2007 and an additional \$3,800 was incurred in 2008 for the preparation of the Quebec Income Tax return and Mining Duties return, professional fees were lower as a result of a \$15,000 decrease in legal fees incurred during the year compared to 2007. Legal fees were higher in 2007 as a result of the transaction entered into with Entourage and the Doran Property.

Regulatory and transfer agent fees for the year ended December 31, 2008 were lower than the comparative period in 2007 due to name change fees and change of business transaction fees totaling \$11,250 paid to the TSX in 2007.

Salaries for the year ended December 31, 2008 were higher than the comparative period in 2007. Salaries have increased from \$5,000 per month (one full-time) beginning in October 2007 to \$8,000 per month from January 2008 to July 2008 (two full-time) to \$10,000 per month from mid-August 2008 to December 31, 2008 (two full-time).

Travel and promotion expenses for the year ended December 31, 2008 were lower than the comparative period in

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2007 due to fewer travel expenditures (2008 - \$8,416; 2007 - \$27,075) in 2008 related to visits to the Doran property in Quebec.

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.

On November 3, 2008 the Company received \$479,439 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.

On December 9, 2008 a gain of \$15,491 resulted from the settlement of outstanding legal fees.

SUMMARY OF QUARTERLY RESULTS

	2008				2007			
	December 31	September 30	June 30	March 31	December 31	September 30	June 30	March 31
Net income (loss)	\$ 186,558	\$ (165,695)	\$(106,096)	\$ 8,570	\$ (434,125)	\$ (228,541)	\$(1,110,954)	\$ (40,770)
Income (loss) per share ⁽¹⁾	\$ 0.01	\$ (0.01)	\$ (0.01)	\$ 0.00	\$ (0.03)	\$ (0.02)	\$ (0.11)	\$ (0.00)

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

Since 07Q2 quarterly results have varied mainly due to mineral exploration expenditures. Expenses in recent quarters have increased net of stock-based compensation and mineral exploration expenditures. For 2008 our average monthly spend was approximately \$37,000 per month, up from an average of \$28,000 in 2007. Salaries and management fees have increased from an average of \$13,600 per month (two full-time; two part-time) in 2007 to an average of \$16,700 per month currently (two full-time; two part-time). At present, we expect our operations to continue to incur no more than \$40,000 per month in human resource, administrative and marketing expenses.

ABBASTAR URANIUM CORP. (formerly Abbastar Holdings Ltd.)**FOR THE YEAR ENDED DECEMBER 31, 2008****LIQUIDITY AND CAPITAL RESOURCES****Financial Position**

As at	December 31, 2008 \$	December 31, 2007 \$	Chg %	December 31, 2006 \$
Cash	482,025	68,834	600	310,549
Other current assets	24,744	292,080	(92)	24,425
Interest in mineral property	100,000	100,000	--	-
Other assets	472	590	(20)	737
	607,241	461,504	32	335,711
Current liabilities	95,999	74,096	30	70,406
Shareholders' equity (deficiency)	511,242	387,408	32	265,305
	607,241	461,504	32	335,711
Cash dividends declared per share	-	-	-	-

Total assets have increased from \$461,504 as at December 31, 2007 to \$607,241 as at December 31, 2008. The \$145,737 increase is attributed to receipt of the refundable tax credits from the Province of Quebec in connection with eligible mineral exploration expenditures incurred on the Doran Property. Total liabilities have increased by \$21,903 since 2007 year-end, the increase attributable to accrued management fees to related parties.

As at December 31, 2008, the Company had net working capital of \$410,770 (December 31, 2007 - \$286,818) and shareholders' equity of \$511,242 (December 31, 2007 - \$387,408).

Changes in Cash Position

Cash flows:	Three months ended December 31,		Year ended December 31,	
	2008 \$	2007 \$	2008 \$	2007 \$
Cash inflow (outflow) from operating activities	227,735	(326,545)	(128,809)	(1,638,305)
Cash inflow from financing activities	-	25,000	338,000	1,680,000
Cash inflow (outflow) inflow from investing activities	18,000	(175,000)	204,000	(283,410)
Increase (decrease) in cash	245,735	(476,545)	413,191	(241,715)

The Company's cash position increased from \$68,834 at December 31, 2007 to \$482,025 at December 31, 2008. The \$413,191 increase is comprised of the \$338,000 in proceeds from the private placement and exercise of stock options during the year, the \$29,000 received for the repayment of the promissory note receivable and the maturity of \$175,000 in short-term investments, less \$128,809 used to finance operations.

The \$128,809 used to finance operations is comprised of the \$76,664 net loss incurred during the year, offset by \$94,998 in stock-based compensation, \$118 for amortization, \$15,491 for the gain on settlement of accounts payable

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plus \$232,500 for a future income tax recovery, less \$63,336 in GST/QST receivables and deposits, and a \$6,412 combined increase in accounts payable and due to related parties. During 09Q1, \$9,677 in GST refunds was received and \$14,891 in QST refunds was received. During 09Q2, \$40,000 in proceeds was received from the exercise of 200,000 stock options.

Share Capital

The total number of common shares outstanding as at the date of this report was 15,087,830 and as at December 31, 2008 was 14,887,830. The total number of common shares outstanding at December 31, 2007 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. On June 30, 2008 and April 3, 2009, 90,000 and 200,000 common shares, respectively were issued in connection with the exercise of stock options for gross proceeds of \$18,000 and \$40,000.

As of the date of this report there were 2,000,000 warrants outstanding exercisable at \$0.21 per share expiring August 25, 2009.

As of the date of this report there were 2,250,000 stock options outstanding, with a weighted average exercise price of \$0.24 per share. During the year ended December 31, 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. Subsequent to year-end, 645,000 stock options were granted at a weighted average exercise price of \$0.20 per share. Of the total stock options outstanding 1,721,875 are currently exercisable with a weighted average exercise price of \$0.25 per share. The expiration dates of the outstanding stock options range from August 10, 2011 to April 7, 2014. The stock options granted on April 15, 2008 vest and become exercisable as to 25% per quarter commencing three months from the date of grant; the stock options granted on July 15, 2008, August 21, 2008 and April 7, 2009 vest and become exercisable as to 25% immediately, then 12.5% per quarter thereafter; and the stock options granted on March 31, 2009 vest and become exercisable on the date of grant.

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. Current market conditions have made it more difficult to raise additional funds. 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 year-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 year ended December 31, 2008, the Company incurred \$3,750 (2007 - \$nil) in management fees and \$22,500 in salary (2007 - \$nil) to its President and at December 31, 2008 the Company owes this individual an aggregate of \$3,750 (December 31, 2007 - \$nil) for fees.

During the year ended December 31, 2008, the Company incurred \$22,500 (2007 - \$45,000) in management fees and \$60,000 in salary (2007 - \$15,000) to its former President and at December 31, 2008 the Company owes this individual an aggregate of \$3,592 (December 31, 2007 - \$nil) for fees and expense reimbursements.

During the year ended December 31, 2008, the Company incurred \$42,000 (2007 - \$39,750) in management fees to a director and owes this director \$10,500 (2007 - \$nil) at December 31, 2008 for fees.

During the year ended December 31, 2008, the Company incurred \$24,000 (2007 - \$18,000) in management fees to an officer and owes this officer \$8,400 (2007 - \$3,000) at December 31, 2008 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 was paid a monthly fee of \$10,000 and was granted 250,000 stock options. The agreement expired on April 15, 2009.

Effective April 15, 2009, the Company entered into an investor relations agreement with Morgan R. Good of Vancouver, British Columbia. The term of the agreement is for three months. Mr. Good will be paid a monthly fee of \$5,000 and will be reimbursed reasonable expenses up to \$2,500 per month.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures and internal controls over financial reporting to provide reasonable assurance i) that material information about the Company and its subsidiaries would have been made known to them and ii) regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

The Chief Executive Officer and Chief Financial Officer have evaluated and conclude that the Company's disclosure controls and procedures are adequately designed and effective for providing reasonable assurance that material

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information relating to the Company would have been made known to them as of the end of the fiscal year ended December 31, 2008.

As well, as of the end of the fiscal year ended December 31, 2008, the Chief Executive Officer and Chief Financial Officer have evaluated and conclude that the Company's internal controls over financial reporting have been adequately designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes. However, control systems, no matter how well designed and operated, have inherent limitations, therefore, those systems, although determined adequately designed, can provide only reasonable assurance that the objectives of the system are met.

During 2008, there was no change in our internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ADDITIONAL INFORMATION

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