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NEWS RELEASE

**ABBASTAR ENCOUNTERS 16.99 METERS GRADING 0.0435% U3O8 (0.87 LBS/TON)
NEAR SURFACE**

August 23, 2007

TSX Venture Symbol: ABA

Further to the news release dated June 26, 2007, Abbastar Uranium Corp. (the “Company”) is pleased to announce that it has received assay results from all 32 drill holes completed during the Phase I 2007 drill program on the Doran uranium property (“Doran Property”). All 32 holes identified near or at-surface Uranium mineralization.

The Company has an option to earn up to 70% interest in the Doran Property from Entourage Mining Ltd. (“Entourage”) by expending \$5,000,000 dollars on the property over 4 years. To date, the Company has expended over \$800,000 on the Doran Property.

Phase I 2007 Results

A total of 3,273.26 meters of diamond drilling and 1158 samples were analyzed representing 2,469.24 linear meters or 75% of the drill-hole length. Four anomalies (L, N, X and Y) on the Doran Property were drilled this summer. There are 17 identified anomalies on the Doran Property.

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 announced June 26, 2007),
- 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).

A comprehensive listing of assay results will be posted on the Company’s website: www.abbastaruranium.com.

The objective of the Phase I 2007 drill program 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” zone 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 zone remains open in all directions since lateral and depth extensions are unknown and will be the focus of a future drill program.

The project geologist Michel Proulx, P.Geo., M.Sc., described the Phase I 2007 drill program as “a success”. The Phase I 2007 drill program 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 uraniumiferous 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.

Quality Control

Secured samples were sent to Acme Analytical Laboratories Ltd. in Vancouver. The samples were assayed using ICP-MS for 36 trace elements (Group 1DX).

Further Drilling Recommendations

The project geologist recommends a 2,000 meter drill program this fall on the Doran Showing (Main Zone), located at the south-end of the Doran Property, and a 4,000 meter drill program on the L zone and the north-east grid ground radiometric anomalies in the spring of 2008. The two drilling programs are expected to provide a better understanding of the characteristics of the uranium-bearing pegmatite bodies, the structural geology context and uranium phase minerals. The Company is considering a plan to mobilize two drills in order to drill the Doran Showing and the L anomaly concurrently.

Other Business

The Company has raised the required funds for the fall drill program. Further to the news releases dated June 6, 2007 and August 14, 2007, the Company has closed the private placement at \$775,000. In addition, the Company has terminated the investor relations agreement announced on June 6, 2007.

Michel Proulx, P. Geo, M.Sc., and James Turner, P. Geo., B.Sc., a director of the Company, both qualified persons as defined in National Instrument 43-101, have reviewed and approved the technical aspects of this news release.

About Abbastar Uranium Corp.

Abbastar Uranium Corp. is a publicly-traded uranium exploration company exploring for shallow, bulk tonnage style type uranium deposits amenable to low cost open pit mining.

About the Doran Property

The Doran Property is situated in Moyenne Côte-Nord in Costebelle Township, Quebec, on the north shore of the Gulf of St. Lawrence, approximately 85 kilometres east of Havre St. Pierre and about 25 kilometres west of Aguanish. Provincial Highway 138 runs through the property.

On behalf of the Board,

Gary Schroeder
President & CEO

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release. This document contains certain forward looking statements which involve known and unknown risks, delays, and uncertainties not under the Company's control which may cause actual results, performance or achievements of the Company to be materially different from the results, performance or expectation implied by these forward looking statements.