

With The Uranium Market And Prices On The Way Up, Abitex Resources Inc. Is In The Right Place At The Right Time With Their Lavoie And Epsilon Projects In The Otish Mountains Of Quebec Canada



**Exploration
 Uranium
 (ABE-TSXV)**



**Yves Rougerie
 President and CEO**

BIO:

Mr. Rougerie is a professional geologist with over 25 years of experience in exploration and mining geology. He participated in all phases of exploration and development of the world-class Louvicourt base metal mine and in the initial discovery of the "L" uranium deposit in the Otish Mountains, Quebec, amongst others. Mr Rougerie has been the President & CEO of Abitex since March 2007 and Co-Chairman since September 2008. During his tenure, Abitex has completed an option & JV agreement with AREVA and the strategic acquisitions of the Epsilon property and of privately held uranium explorer Central Uranium Corpora-

tion, and raised over \$10M during that time to advance the Company's U-Au properties in the Otish Mtns.

Company Profile:

ABITEX is an exploration and development company based in Val d'Or, Quebec, which is currently focused on acquiring and advancing uranium properties in Quebec, including the Lavoie and Epsilon properties in the Otish Mountains. The company is completing an initial 43-101 resource estimate on the Lavoie project while two very significant U-Au discoveries have been made in the last year on the Epsilon project with reported grades as high as 3.5% U3O8 and 47 g/t Au.

**Interview conducted by:
 Lynn Fosse, Senior Editor
 CEOCFOinterviews.com**

CEOCFO: Mr. Rougerie, what is Abitex doing today?

Mr. Rougerie: Abitex is a junior exploration and development company. Our activities are concentrated in the province of Quebec Canada although we have gone as far Mexico. We have gold projects and base metal projects, but right now, the focus is almost entirely on the uranium projects.

CEOCFO: What is driving the focus on uranium?

Mr. Rougerie: It is the quality of our projects that is driving it. Essentially, with junior companies, when you have a good horse to ride, you have to ride it. We had one and now have two significant projects with tremendous potential and therefore even though we have a couple of gold properties, we believe that the uranium properties have the best long term potential. So the focus is on uranium

because of the quality of the projects.

CEOCFO: Would you give us a little more detail on your projects and what is happening today?

Mr. Rougerie: Our projects are in the Otish Mountains of Quebec. It is a sedimentary rock basin that is the same age and type as the Athabaska basin in Saskatchewan, which hosts the world's highest grade U deposits. Uranium around the world has been more concentrated at that moment in time according to the geological record and that is why so much exploration is done in the sedimentary rock basins of that age. In the Otish Mountains there was significant exploration done back in the late 1970's and early 1980's and there were quite a few discoveries made, but by the mid-1980's the uranium market fell apart and the price dropped below \$10 and stayed there for over 20 years. Therefore, everything was abandoned there and nobody did any work. In the early 2000's when the uranium market took off, a whole lot of people started going back to the Otish Mountains and there has been a true acceleration of exploration up there. What we did was to acquire an option, a 50% interest in what is called the Lavoie property, on which a deposit was discovered by AREVA, which is a large French uranium conglomerate, back in the early 1980's and this was until recently the only uranium deposit that you could find in the Otish Mountains. They had found a resource of about 6 million pounds of uranium in that rock. And the average grade is about 0.7% uranium oxide. We were able to sign an option agreement to acquire a 50% interest in the property in mid-2008 and since then we have spent six and a half million dollars on the property. Be-

ing in an isolated area, we have to put in place the whole infrastructure for exploration. We had to set up a large camp and bring in the heavy equipment in order to be able to do the definition drilling of the target. So we have up to this point, drilled about 11,000 meters, or about 35,000 feet on this deposit. We have been working under the 2009 norms or Canadian standards, which are the 43-101 standards that everyone talks about. We are in the process now of having an independent resource estimate done on the property. It would be the first one in almost 30 years and we will try to bring the resource up to a modern standard.

Last year we acquired another property about 10 miles away called the Epsilon Property, which is named after the Greek letter Epsilon. There is a lake on the property that looks like the letter Epsilon, thus the property name. After acquiring it we did some airborne radiometric surveys and made a significant discovery last fall. This we call the Epsilon A Showing and it is fracture controlled uranium mineralization along with other metals. One thing I didn't mention is that in the area we are in, in the Otish Mountains, there is a significant metal component on top of the uranium mineralization. It would appear that there is a secondary phase after the first uranium one. There is a metallic phase that came up, which brought quite a bit of silver and gold. We have Gold assays as high as 40 grams per ton in the Lavoie deposit. On our new property where we made that discovery, we also have very high grades of gold in the 1 to 2 ounce range that goes along with quite high uranium. We did some grab samples last year, just before the winter, that ran as high as 2.2% uranium oxide and 28 grams gold. So there is very significant gold added onto the uranium. To be honest, the gold is very erratic, so it will go from no gram all the way up to 28 grams. So we really have no idea of what the eventual true grade of gold will be. That will come through time with the taking of large samples where we can average out the grades over a large sampling of rock.

The Epsilon property is a much larger property, at well over 5,000 Hectares (12,500 acres), which is about 53 square kilometers. AREVA had done quite a bit of work there, but they had done most of their work on the eastern part of the property. What Abitex has found is in the northwestern side of the property. After the discovery last year which gave us those good numbers, we went back in this year and we did a property-wide airborne mag-survey, and then we did a detailed airborne radiometric survey over an interesting circular structure that showed up on the mag-survey.

The 2009 airborne close spaced radiometric survey led to the discovery of a new high grade outcrop that we call Epsilon

I worked five years in the Otish Mountains back in the early 1980's, so I've seen the entire Otish Mountains and all of the uranium showings, but this is by far the most significant outcrop in the Otish Mountains. There is no doubt about it. The quality is there of mineralization and everything else, so we are quite excited about it. The market response to that is that we have had a lot of offers to the company financially as we go along with these projects. So we are very excited about it and that is the reason why the focus is on that, because the uranium market will most likely recover in the course of the next couple of years. So we are going to take advantage of that.
- Yves Rougerie

B. Over the summer, we stripped and trenched and exposed the Epsilon B discovery outcrop area and what we see visually is that it has the exact same characteristics as the "L" deposit on the Lavoie property, 10 miles away. So it looks like the exact same geological setting. From our early grab samples from the Epsilon B outcrop, we have received assays of up to 3.5% uranium oxide and as high as 47 grams gold per tonne. We found silver as high as 200 grams per tonne. So there is a very significant mineral occurrence there and we are very excited about that. After we did the stripping this fall, we were able to get channel samples and some large grab samples of mineralized materials. We are awaiting assays for that work to come in within the next month. So we are very excited about this project and we want to pursue that

one with the highest priority. We are going to go back in to try to define the properties a little better and then we will do some initial drilling on that part of the property. We believe that it has the same kind of potential that the Lavoie property has already demonstrated, which is in the multi-million pound range, but we have no idea how big. It is the kind of discovery that one rarely makes. I worked five years in the Otish Mountains back in the early 1980's, so I've seen the entire Otish Mountains and all of the uranium showings, but this is by far the most significant outcrop in the Otish Mountains. There is no doubt about it. The quality is there of mineralization and everything else, so we are quite excited about it. The market response to that is that we have had a lot of offers to the company financially as we go along with these projects. So we are very excited about it and that is the reason why the focus is on that, because the uranium market will most likely recover in the course of the next couple of years. So we are going to take advantage of that.

CEO CFO: All of this activity is expensive; what is the financial picture for the company?

Mr. Rougerie: It is quite expensive and we've spent over \$6 million and what we have to show for it is the upcoming 43-101 resource estimate for the

"L" deposit as well as two high grade mineralized outcrops that we have discovered on the Epsilon property.

CEO CFO: You mentioned that the market is being responsive.

Mr. Rougerie: The market has been responsive from the standpoint of the people that are willing to invest and take it forward. We have had a lot more trouble on the market getting the response that we would like from investors and therefore from the stock price standpoint. That has a lot to do with the slow nature of the results coming out of the work on projects like that. We don't have a good flow of news to put into the market and therefore market gets a little tired. But because of all of the work that we did this summer, most of the definition drilling that we did at the Lavoie property and on the two

new discoveries on Epsilon A and B, and the sampling that we have done there, we have a large flow of information to come out over the course of the fall. So we will attract the attention of the market.

CEO/CFO: Sum it up for potential investors; with so many companies to choose from, why look at Abitex Resources?

Mr. Rougerie: There are a couple of reasons. If you go into microcaps, there are different ways of looking at investing.

If you look at the people, who are running the company and if you are interested in pure geological plays, which can lead to serious developments and significant discoveries, you are going to look for good people and people that have a lot of experience and you are going to look at the quality of the projects. The two projects that our focus is on are very promising. If you look at what we have going on at the Lavoie and the other project, you can see that these are very good quality technical projects and demonstrate potential to

those that accept pure early development and longer term for mining. So investors should look at us because of how good the properties are and the potential that they have to come up with continuing good results as well as the people behind them. We have raised over \$10 million in the last year and a half for these projects, which is evidence of the support that we get because of the quality of these projects.



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