

July 17, 2006

**Consolidated Abaddon Resources Inc.**(V.ABN, ABNAF, [www.consolidatedabaddon.com](http://www.consolidatedabaddon.com))

**BUY**— It was a quiet quarter for Consolidated Abaddon but a busy one for Cameco, Abaddon's neighbor in the Athabasca Basin.

Last month, Cameco completed a two-hole drill program on its Mann Lake project, immediately east of

Abaddon's property of the same name. Results were excellent: hole MN-013 hit pay, yielding 0.25 meters of 7.12% U3O8 and 0.4 meters of 5.53% U3O8.

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|          |                   |                      |                         |
|----------|-------------------|----------------------|-------------------------|
| Price    | Share: C\$0.475   | MCap: C\$14.1million | On: 7/14/06             |
| History  | Rec: C\$0.49,4/06 | Gain: -3.0%          | 52-week:C\$0.10-C\$0.88 |
| Shares   | SO: 29.7 million  | FD: 36.6 million     | As of: 3/31/06          |
| Warrants | 4.0 million       | C\$0.23-C\$0.40      | Exp: 2/3/08-3/15/08     |
| Options  | 2.9 million       | C\$0.165-\$0.47      | Exp: 11/07-3/11         |
| Cash     | C\$1.7 million    | Burn: C\$60,000/mo   | As of: 3/31/06          |

These are the most interesting numbers to come out of the Basin since Denison Mines announced a strike of 12.5 meters of 15.3% U3O8 back in April. Although the Cameco intercepts are narrow, they confirm that high-grade uranium is present. These initial sniffs are reminiscent of the first holes at Cameco's Millennium deposit, which now hosts nearly 46 million pounds U3O8 at a grade of 4.63%.

Cameco is planning more drilling on the structure, which basically straddles the eastern border of ABN's property. This is excellent news for Abaddon. Cameco's drilling could very well extend mineralization onto ABN's ground—at which point Cameco might seek a piece of the property. And even if the major doesn't approach Abaddon, the news bodes well for ABN's own drill program.

Abaddon's drilling (operated by partner Triex Minerals) should kick off late summer or fall. The companies recently completed ground and airborne geophysics over the property (after significant delays caused by interference from Cameco's nearby geophysical equipment). Drill planning will begin as soon as these data have been crunched.

While this is now ABN's most interesting project, the company has much more in the works. At the Kirsch/Huard Lake property, also in the Athabasca Basin, Abaddon's partner International Uranium is carrying out ground geophysics. IUC will also complete till sampling and boulder train analysis this summer. If results warrant it, drilling is expected next winter.

At the company's Gabbro Lake and Sims Lake properties in Labrador, there was both good news and bad news. On the downside, BHP Billiton announced it is terminating its base metals option on the properties. The good news: ABN completed an option agreement with International Uranium for yellowcake exploration. The partners will begin a ground geophysical program immediately, to be followed by a three-hole drill program.

Based solely on Mann Lake, Abaddon looks undervalued. Given the company's proximity to

Cameco's successful drills and the possibility that the mineral structure extends onto ABN's ground, a C\$14 million market cap is low. And all the more so if the company gets good results from one or more of its other properties. The next three to six months should see a lot of work... and quite possibly some interesting news.

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