MANAGEMENT'S DISCUSSION AND ANALYSIS

U308 CORP.
(A DEVELOPMENT STAGE COMPANY)

THREE MONTHS ENDED MARCH 31, 2008

Prepared by:

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Introduction

The Management's Discussion and Analysis ("MD&A") of U308 Corp. ("U3O8" or the "Corporation") provides an analysis of the Corporation's performance and financial condition for the three months ended March 31, 2008 as well as an analysis of future prospects. This MD&A should be read in conjunction with the Corporation's unaudited interim consolidated financial statements for the three months ended March 31, 2008 and audited consolidated financial statements for the year ended December 31, 2007, including the related note disclosures, which are prepared in accordance with generally accepted accounting principles in Canada ("GAAP"). Readers of the following MD&A should also refer to the Corporation's audited financial statements for the year ended December 31, 2006. All amounts are in Canadian dollars unless otherwise specified. This MD&A is dated, and was prepared using information that is current as of May 26, 2008 unless otherwise stated. The Corporation's consolidated financial statements along with management certifications, press releases, technical reports and final long form prospectus dated December 15, 2006, are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

Caution Regarding Forward-Looking Statements

This MD&A may contain forward-looking statements that are based on the Corporation's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Corporation are set out below under "Risks and Uncertainties". Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.

About U308

U308 is a Canadian junior exploration company engaged in acquiring and exploring mineral properties for uranium. To date, U308 has not earned any revenues from uranium exploration and is considered to be in the development stage as defined by the Canadian Institute of Chartered Accountants Accounting Guideline 11.

The goal of U3O8 is to deliver returns to shareholders by concentrating on uranium exploration in Guyana, South America, through its subsidiary Prometheus Resources (Guyana) Inc. ("Prometheus Guyana"). The Corporation plans to do this by focusing on certain "Reconnaissance Permits" (consisting collectively of Permit "A" and Permit "B"), as described below.

Permit "A" was granted to Prometheus Guyana on November 28, 2005, and provides permission to carry out geological, geophysical and other surveys within an area of approximately 579,417 hectares located in the Cuyuni/Mazaruni and Potaro Mining Districts of Guyana, and excludes mining areas lawfully occupied or applied for prior to September 22, 2005, navigable rivers and Amerindian lands. Permit "A" provides Prometheus Guyana with the right to explore the Permit "A" area for uranium for three years commencing November 23, 2005 by undertaking geological, geochemical and geophysical surveys. In connection with Permit "A", Prometheus Guyana is obligated to pay to the Government of Guyana in advance, a non-refundable fee of US$15,000 for the first year (paid), US$20,000 for the second year (paid) and US$30,000 (paid) for the third year. Permit "A" grants Prometheus Guyana the right to apply for, and be granted by the Guyana Geological and Mines Commission ("GGMC"), up to 15 prospecting licenses (each consisting of areas of approximately 202 hectares to approximately 4,856 hectares in extent) for uranium, provided that it has satisfied the requirements stipulated by the GGMC in the granting of Permit "A".

Permit "A" expires on November 23, 2008.

Permit "B" was granted to Prometheus Guyana on June 1, 2006, and provides permission to carry out geological, geophysical, geochemical and other exploration-related surveys within an area of approximately 746,309 hectares located in the Potaro, Cuyuni/Mazaruni and Rupununi Mining Districts of Guyana, and excludes mining areas lawfully occupied or applied for prior to May 2, 2006, navigable rivers and Amerindian lands. With respect to the Amerindian lands, the permit provides for exploration to be undertaken in these areas with the consent of the Amerindian tribe that owns that land. Permit "B" provides Prometheus Guyana with the right to explore the Permit "B" area for three years commencing May 31, 2006 for radioactive minerals and rare earth elements, which includes uranium. In connection with the Permit "B", Prometheus Guyana is obligated to pay to the Government of Guyana in advance, a non-refundable fee of US$25,000 for the first year (paid), US$35,000 for the second year (paid) and US$50,000 (to be paid in June 2008) for the third year. Permit "B" grants Prometheus Guyana the right to apply for, and be granted by the GGMC, up to 20 prospecting licenses (each consisting of areas of approximately 202 hectares to approximately 4,856 hectares in extent) for radioactive minerals and rare earth elements, provided that it has satisfied the requirements set out by the GGMC in the granting of Permit "B".

Permit "B" expires on May 31, 2009.

Overall Performance

(a) Trends analysis

The Corporation anticipates that it will continue to experience net losses as a result of ongoing exploration in Guyana and general corporate and administrative costs and expenses until such time, if any, as revenue generating activity is commenced. The Corporation's future financial performance is dependent on many external factors. Both the price of, and the market for, uranium is volatile, difficult to predict and subject to changes in domestic and international political, social and economic environments. These circumstances and events could materially affect the future financial performance of the Corporation. The Corporation is not currently aware of any trend, event or uncertainty that can reasonably be expected to have a material adverse effect on the business, financial condition, or operating results of the Corporation other than as described in "Risks and Uncertainties".

(b) Highlights

- At **Aricheng South**, Phases I and II drilling were completed in 2007 and a 50-hole Phase III program is now underway. To date, 44 of the Phase III diamond drill holes planned for Aricheng South have been completed for a total of 8,043m, and summary assay results for 20 of these have been released.
- At **Aricheng North**, Phases I and II drilling were completed in 2007 and a 50-hole Phase III program is planned for 2008 and will commence on completion of the Phase III drilling on Aricheng South which is scheduled for June, 2008.
- At **Aricheng West**, 3 Phase I diamond drill holes were completed in 2007 and 3 of 6 planned Phase II holes were completed in early 2008 before access to the drill platforms was flooded. The 3 outstanding holes are planned for completion in the dry season in 2008.

- To date 13 of 16 planned scout drilling, or Phase I, holes have been completed at **Accori**. Four distinct vein structures are being explored at Accori.
- On December 13, 2007, the Corporation was granted a Prospecting License for uranium and other radioactive and rare earth minerals in the Aricheng, Mid-Mazaruni area. The required bond was posted on April 21st, 2008 and the signed license was received on April 24th, 2008;
- The Corporation spent $1,676,755 (excludes stock-based compensation of $11,697) on exploration in the first quarter of 2008, of which $377,384 was spent on direct drilling costs for the 4,968 metres completed in the quarter;
- The Corporation appointed Dr. Richard Spencer, as President, Chief Executive Officer and Director, effective January 31, 2008;
- The Corporation appointed Nancy Chan-Palmateer as Vice President, Investor Relations, effective May 1st, 2008; and
- The Corporation's cash resources are held in Canada with two highly rated banks in bank backed guaranteed investment certificates and cash balances. The Corporation funds operating expenditures in foreign countries to facilitate operations in Guyana;

(c) Current activities

Exploration of the Kurupung Batholith

The exploration focus to date has been on basement-hosted uranium mineralization. Interpretation of data from the 1,800km^2 airborne radiometric survey, undertaken by the Corporation over Permit "A" in late 2006, identified 43 radiometric anomalies in the basement of the Roraima basin. Many of the targets had been explored previously with diamond drilling by two companies, one in the late 1970's and by another in the early 1980's. A total of 25 radiometric targets are clustered in the 360 km^2 Kurupung Batholith where the majority of the prior exploration had been undertaken by former exploration companies. Of these, the three top priority targets were considered to be Aricheng North, Aricheng South and Aricheng West. To date approximately 35 km^2 of the 360 km^2 Kurupung Batholith has been explored in the Aricheng area.

A scout, or Phase I, drilling program was designed with bore holes located as close as possible to identifiable drill hole collars left by the prior exploration companies. The objective of the Phase I drilling was to confirm the existence of uranium of potentially economic grade over mineable widths in the selected target area. Phase II drilling generally refers to additional exploration drilling to probe the vertical and lateral extent of mineralization encountered in Phase I. Phase III drilling typically represents drilling on a relatively regular spacing sufficient to define the extent to which the grade and thickness of the mineralized structure can be extrapolated into the area around the bore hole intercept. Phase III drilling thus generally forms the basis on which inferred resources are estimated. Further, closer-spaced drilling may be required to convert inferred resources to the measured and indicated category.

Aricheng South

Phase I and II drilling was completed on the Aricheng South target, which covers an area of approximately 1.5km^2, in 2007. The Phase I drill program consisted of 5 bore holes for a total of 760m, while Phase II drilling at Aricheng South consisted of 16 holes for a total of approximately 2,067 meters. Phase II drilling concentrated on extending mineralization down dip, and to a lesser extent, along strike to the west of the mineralized zone identified in Phase I drilling.

On the basis of the tenor and width of mineralized zones intersected in Phase I and II drilling on the Aricheng South structure, a Phase III drilling campaign comprising 50 bore holes for approximately 9,000m was initiated in January, 2008. This drill campaign is focused on defining the mineralized zone encountered in Phase I and II drilling in more detail in the 270m long central area of the mineralized structure, as well as testing the immediate strike extension of mineralization to the west. To date 44 holes have been completed for a total of 8,043m and results have been released for the first 20 of these holes. The Phase III program at Aricheng South is on schedule for completion in June, 2008.

A summary of assay results for the most significant mineralized intervals intersected in Phase I, II and III drilling at Aricheng South is shown in Tables 1, 2 and 3 below.

Table 1. Significant assay results from Phase I drilling in the Aricheng South target.

Hole #	Bearing (°)	Inclination (°)	From (m)	To (m)	Intercept (m)	U_3O_8 (%)	U_3O_8 (lb/short ton)
ARS-001	210°	-50°	67.0	84.5	17.5	0.121	2.42
ARS-002	210°	-50°	23.0	26.5	3.5	0.301	6.02
			33.0	35.5	2.5	0.093	1.86
			37.0	43.5	6.5	0.115	2.30
			61.5	65.0	3.5	0.121	2.42
			76.5	79.5	3.0	0.202	4.04
			88.0	90.0	2.0	0.083	1.66
			97.0	100.0	3.0	0.115	2.30
ARS-003	210°	-60°	37.5	48.5	8.0	0.104	2.08
		Including	37.5	41.0	3.5	0.131	2.62
			54.5	58.5	4.0	0.084	1.68
			62.5	63.5	1.0	0.113	2.26
			71.5	75.0	3.5	0.068	1.36
ARS-004	210°	-60°	98.0	100.5	2.5	0.107	2.14
ARS-005	305°	-60°	146.0	147.5	1.5	0.232	4.64

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Table 2. Significant assay results from Phase II drilling in the Aricheng South target.

Bore hole data			Interval				Grade	
No	Bearing (°)	Inclination (°)	From (m)	To (m)	Core length (m)	Estimated True Thickness (m)	U_3O_8 %	*U_3O_8 lbs/st
ARS-006	210	-45	33.0	57.0	24.0	23.4	0.104	2.1
			34.5	39.0	4.5	4.4	0.156	3.1
			51.0	56.0	5.0	4.9	0.160	3.2
ARS-007	210	-45	No Significant Results					
ARS-008	210	-45	40.0	41.0	1.0	1.0	0.076	1.5
ARS-009	210	-50	38.0	65.5	27.5	26.4	0.112	2.2
			60.0	64.5	4.5	4.3	0.163	3.3
ARS-010	210	-45	47.5	73.5	26.0	25.2	0.120	2.4
			65.5	72.5	7.0	6.8	0.168	3.4
			77.0	79.5	2.5	2.4	0.168	3.4
ARS-011	210	-50	73.5	104.0	30.5	28.7	0.071	1.4
			93.0	103.5	10.5	9.9	0.106	2.1
			109.5	116.5	7.0	6.6	0.099	2.0
ARS-012	210	-45	44.5	55.0	10.5	10.3	0.245	4.2
			44.5	49.5	5.0	4.9	0.427	7.1
ARS-013	210	-45	68.5	75.5	6.5	6.3	0.141	2.8
			78.0	83.5	5.5	5.3	0.120	2.4
ARS-014	210	-45	116.5	120.5	4.0	3.8	0.138	2.8
ARS-015	210	-45	75.5	77.0	1.5	1.5	0.100	2.0
			118.5	119.5	1.0	1.0	0.078	1.6
ARS-016	Hole abandoned at 43.6m							
ARS-017	210	-45	No Significant Results					
ARS-018	210	-45	No Significant Results					
ARS-019	315	-45	107.5	108.5	1.0	1.0	0.091	1.8
ARS-20	210	-45	78.0	79.0	1.0	1.0	0.532	10.6
ARS-021	210	-60	71.0	81.0	10.0	8.8	0.123	2.5
			72.0	74.5	2.5	2.2	0.282	5.6

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Table 3. Significant assay results from Phase III drilling in the Aricheng South target.

Bore hole data			Interval				Grade	
Hole	**Bearing (°)**	**Inclination (°)**	**From (m)**	**To (m)**	**Interval (m)**	**Estmated True Thickness**	**U_3O_8 %**	**U_3O_8 lb/st**
ARS-022	210	-45	66.0	69.5	3.5	3.4	0.103	2.1
ARS-023	210	-59	No Significant Results					
ARS-024	210	-50	93.5	99.0	5.5	5.3	0.107	2.1
			101.0	115.5	14.5	14.0	0.110	2.2
		Including	111.5	115.5	4.0	3.9	0.172	3.4
ARS-025	210	-61	103.0	117.5	14.5	13.0	0.096	1.9
			119.0	132.0	13.0	11.7	0.088	1.8
ARS-026a	210	-45	76.5	103.5	27.0	26.6	0.115	2.3
		Including	77.0	82.0	5.0	4.9	0.158	3.2
		Including	84.5	90.0	5.5	5.4	0.167	3.3
ARS-027	210	-45	85.5	120.5	35.0	34.5	0.131	2.6
		Including	109.5	116.5	7.0	6.9	0.406	8.1
ARS-028	210	-50	99.5	119.5	20.0	19.3	0.075	1.5
		Including	99.5	103.0	3.5	3.4	0.191	3.8
			120.5	125.0	4.5	4.3	0.140	2.8
			130.0	136.0	6.0	5.8	0.097	1.9
			137.0	141.5	4.0	3.9	0.139	2.8
ARS-029	210	-59	92.0	95.5	3.5	3.2	0.150	3.0
			103.5	111.0	7.5	6.9	0.114	2.3
			125.0	135.0	10.0	9.1	0.122	2.4
			151.5	164.5	13.0	11.9	0.067	1.3
ARS-030	210	-45	85.0	89.5	4.5	4.4	0.235	4.7
ARS-031	210	-57	75.5	80.0	4.5	4.2	0.178	3.6
			95.5	98.5	3.0	2.8	0.131	2.6
			99.5	102.5	3.0	2.8	0.205	4.1

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Table 3 (continued). Significant assay results from Phase III drilling in the Aricheng South target..

Bore hole data			Interval				Grade	
Hole	Bearing (°)	Inclination (°)	From (m)	To (m)	Interval (m)	Estmated True Thickness	U_3O_8 %	U_3O_8 lb/st
ARS-032	210	-45	84.5	99.0	14.5	14.3	0.074	1.5
			116.5	120.5	4.0	3.9	0.105	2.1
ARS-035	210	-57	149.0	153.5	4.5	4.2	0.100	2.0
ARS-036	210	-45	80.0	97.0	17.0	16.7	0.070	1.4
			104.0	108.5	4.5	4.4	0.084	1.7
			119.0	121.0	2.0	2.0	0.101	2.0
			122.0	125.0	3.0	3.0	0.100	2.0
ARS-037	210	-58	97.5	102.5	5.0	4.6	0.113	2.3
			103.5	112.5	9.0	8.3	0.078	1.6
			131.5	137.5	6.0	5.5	0.093	1.9
ARS-038	210	-55	144.0	153.0	9.0	8.5	0.137	2.7
			154.0	168.0	14.0	13.2	0.081	1.6
		Including	162.0	168.0	6.0	5.6	0.122	2.4
			175.5	195.5	20.0	18.8	0.075	1.5
ARS-039	210	-55	162.5	164.5	2.0	1.9	0.107	2.1
			190.5	196.0	5.5	5.2	0.095	1.9
			202.0	206.0	4.0	3.8	0.097	1.9
ARS-040	210	-60	151.0	152.5	1.5	1.4	0.085	1.7
ARS-041	210	-45	164.0	166.5	2.5	2.5	0.068	1.4
ARS-044	210	-63	122.5	126.0	3.5	3.1	0.178	3.6
			146.5	149.5	3.0	2.6	0.104	2.1
			155.0	170.5	15.5	13.7	0.110	2.2
ARS-045	210	-55	123.5	125.0	1.5	1.4	0.141	2.8
			150.5	159.0	8.5	7.4	0.114	2.3

Aricheng North

The Aricheng North target covers an area of about $4km^2$ in the Kurupung batholith. A Phase I drill program, designed to confirm the presence of uranium mineralization of potentially mineable grades over significant widths, was completed on 2007. Phase I drilling included 7 bore holes for a total of 1,286m. A Phase II program commenced immediately after completion of Phase I and consisted of 20 holes for a total of 2,736m. Phase II drilling was successful in confirming reasonable continuity of mineralization along strike and down dip. A Phase III program of approximately 6,000m of core drilling in 50 holes is planned for the Aricheng North structure. The objective of the Phase III drilling is to determine the grade and continuity of mineralization along a 750m strike length of the mineralized structure. This drilling is planned to commence on completion of the drilling at Aricheng South in June, 2008.

Significant assay results from the Corporation's Phase I and Phase II drilling at Aricheng North are listed in Tables 4 and 5.

Table 4. Significant assay results from Phase I drilling in the Aricheng North target.

Hole #	Bearing (°)	Inclination (°)	From (m)	To (m)	Intercept (m)	U_3O_8 (%)	U_3O_8 (lb/short ton)
ARN-001	270°	-50°	109.0	111.5	2.5	0.124	2.8
			116.0	126.5	10.5	0.091	2.0
			134.5	137.5	3.0	0.120	2.8
ARN-002	135°	-60°	102.0	109.5	7.5	0.125	2.8
ARN-003	150°	-60°	41.0	52.0	11.0	0.233	4.66
		Including	41.5	42.5	1.0	1.7	34.00
			60.0	61.0	1.0	0.083	1.66
			77.5	82.0	4.5	0.139	2.78
ARN-004	150°	-60°	20.5	29.5	9.0	0.071	1.42
			75.5	79.0	3.5	0.062	1.24
ARN-005	335°	-60°	121.5	122.0	0.5	0.135	2.70
ARN-006	330°	-50°	40.5	49.5	9.0	0.221	4.42
		Including	41.5	43.5	2.0	0.395	7.90
ARN-007	138°	-45°	45.5	48.5	3.0	0.063	1.26
			60.5	62.0	1.5	0.060	1.20

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Table 5. Significant assay results from Phase II drilling in the Aricheng North target.

Bore hole data			Interval				Grade	
No	Bearing (°)	Inclination (°)	From (m)	To (m)	Core length (m)	Estimated True Thickness (m)	U_3O_8 %	*U_3O_8 lbs/st
ARN-008	140	-45	44.5	45.5	1.0	0.8	0.080	1.6
ARN-009	140	-45	67.5	69.5	2.0	1.7	0.230	4.6
ARN-010	135	-55	134.0	136.0	2.0	1.4	0.138	2.76
ARN-011	135	-60	148.5	149.5	1.0	0.6	0.146	2.92
ARN-012	135	-45	64.0	76.0	12.0	10.4	0.093	1.86
ARN-013	135	-60	74.0	83.0	9.0	6.5	0.260	5.2
including			77.5	80.0	2.5	1.8	0.592	11.84
ARN-014	140	-45	37.0	39.0	2.0	1.7	0.196	3.92
			41.0	44.0	3.0	2.6	0.245	4.9
ARN-015	140	-45	38.0	46.5	8.5	7.5	0.168	3.36
including			38.0	40.0	2.0	1.8	0.297	5.94
including			41.0	44.0	3.0	2.6	0.240	4.8
ARN-016	140	-65	53.0	64.0	11.0	7.6	0.133	2.66
including			53.0	56.0	3.0	2.1	0.272	5.44
ARN-017	140	-45	61.5	64.5	3.0	2.5	0.150	3
ARN-018	140	-45	59.0	60.0	1.0	0.8	0.107	2.14
			67.5	69.5	2.0	1.7	0.153	3.06
ARN-019	140	-45	17.0	20.0	3.0	2.7	0.097	1.94
			27.0	30.5	3.5	3.1	0.310	6.2
ARN-020	140	-45	58.5	64.5	6.0	5.4	0.122	2.44
ARN-021	140	-45	No significant results					
ARN-022	140	-45	64.0	69.5	5.5	4.9	0.287	5.74
			95.0	96.5	1.5	1.3	0.098	1.96
ARN-023	140	-50	75.5	78.0	2.5	2.0	0.133	2.66
			81.5	82.5	1.0	0.8	0.135	2.7
ARN-024	140	-45	35.5	39.0	3.5	3.1	0.238	4.76
			61.0	64.0	3.0	2.7	0.080	1.6
			80.5	82.0	1.5	1.3	0.188	3.76
ARN-025	140	-45	70.0	73.0	3.0	2.7	0.086	1.72
			108.5	109.5	1.0	0.9	0.305	6.1
ARN-026	140	-45	29.5	32.5	3.0	2.5	0.300	6
ARN-027	140	-45	54.0	58.5	4.5	3.9	0.163	3.26

Aricheng West

The Aricheng West target covers an area of about 1.4km^2 in the Kurupung batholith. Three bore holes were drilled in the Phase I program in 2007, the objective of which was to confirm the presence of significant uranium mineralization at Aricheng West. A total of 456m was drilled on the Aricheng West target in Phase I and significant assay intervals are listed in Table 6. A six-hole, Phase II program was suspended after the completion of three holes, for a total of 303m, due to flooding of the access roads to the remaining three drill platforms in the wet season. The remaining three holes will be drilled when access to the drill pads becomes available during the dry season.

Table 6. Significant assay results from Phase I drilling in the Aricheng West target.

Hole #	Bearing (°)	Inclination (°)	From (m)	To (m)	Intercept (m)	U_3O_8 (%)	U_3O_8 (lb/short ton)
ARW-001	350°	-60°	27.0	29.5	2.5	0.074	1.48
			32.0	40.0	8.0	0.094	1.88
			50.5	53.0	2.5	0.072	1.44
			72.0	73.0	1.0	0.097	1.94
ARW-002	350°	-60°	23.5	26.5	3.0	0.107	2.14
			37.0	38.5	1.5	0.096	1.92
			57.5	61.0	3.5	0.111	2.22
			69.0	71.0	2.0	0.161	3.22
			73.0	75.0	2.0	0.066	1.32
ARW-003	360°	-60°	118.5	127.5	9.0	0.096	1.92
		Including	122.0	125.0	3.0	0.130	2.60

Other drilling programs

A 1,600, 13-hole scout-drilling program has commenced on initial exploration of uranium mineralization in the Accori area near the southwestern margin of the Kurupung Batholith. This Phase I drilling has confirmed the presence of four structures and is scheduled for completion by the end of May, 2008. Phase I drilling in the Accori area was planned as a 16-hole, 2,000m program. The status of the program is shown in Table 7. Upon receipt of the assay results, a decision will be made as to which of the four structures identified at Accori warrant Phase II drilling to determine the continuity of thickness and grade of the structures. Phase II drilling is scheduled to commence on completion of Phase III drilling at Aricheng North in August 2008.

Table 7. Summary of the number and metreage of bore holes planned for initial exploration of the Accori area in the Kurupung Batholith located in Permit "A".

Target	# planned holes	Planned metreage	# holes completed	Metreage completed
Accori North - A	5	500	4	580
Accori North – B	3	450	2	311
Accori North – C	4	650	4	681
Accori South	4	400	4	427
Total	**16**	**2,000**	**14**	**1,999**

Prospecting license application

The Corporation's application for a Prospecting License for uranium and other radioactive and rare earth minerals in the Aricheng, Mid-Mazaruni area was approved on December 13, 2007. The Corporation posted a work performance bond in the amount of US$35,550 on April 21st, 2008 and the Prospecting License was granted on April 24th, 2008.

Regional reconnaissance field work

Field work in Permit "A" has been focused on two different styles of uranium target:

- Structurally-controlled mineralization in basement rocks. Exploration has concentrated on the follow-up of radiometric anomalies identified in the Kurupung Batholith from the airborne geophysical program undertaken by the Corporation in late 2006 and 2007. Ground radiometric surveys and geological mapping have been carried out in the Illiwa, Meamu and Accori North Extension areas of the batholith. Rock chip and soil sampling of the radiometric anomalies confirmed by the ground geophysical surveys is in progress with the aim of confirming the presence of uranium mineralization. Targets for scout-drilling will be selected and prioritized on the basis of the results obtained from the exploration of these anomalous areas.
- Unconformity-related targets in the Roraima basin. Integrated geological and geophysical studies have identified seven priority targets for potential unconformity-related uranium mineralization. Initial exploration in the Kurung area was negative and it has been ruled out as having significant potential for unconformity-related mineralization. The second area undergoing regional exploration is the Pakaseru target. It is anticipated that initial scout drilling will commence on the unconformity-related targets in latter half of 2008.

Aerial radiometric survey

Reconnaissance exploration of Permit "B" involves the integration of airborne geophysical data acquired in surveys flown by the Corporation in 2006 and 2007 with regional structural and stratigraphic interpretations. The exploration model being applied for uranium in the Roraima basin is that of the Athabasca basin in Saskatchewan, Canada, where the majority of known uranium deposits are located where reactivated fault structures cut carbon-bearing stratigraphic units. The approach being taken in the exploration of the Roraima basin is to focus exploration on the intersection between regional faults and potentially carbonaceous components of the basement stratigraphy, combined with airborne radiometric anomalies. The first such targets for unconformity-related uranium are the Pakaseru and Kurung targets discussed above, which are unconformity-related targets that are located in Permit "A". The prospectivity of Permit "B" lies in its potential to host unconformity-type uranium mineralization.

Summary

The results obtained from Phases I, II and the ongoing Phase III drilling indicate the presence of significant uranium mineralization in Permit "A". Reconnaissance exploration is underway on the airborne radiometric anomalies within the Kurupung Batholith with the objective of generating additional drill targets. At the date of this MD&A, Phase III drilling is part-way complete and assay results from the first twenty holes drilled in this program have been released.

There is no guarantee that the Corporation will discover a viable uranium resource from the above mentioned activities.

U3O8's performance will be largely tied to the outcome of the exploration program in Guyana.

(d) Industry and economic factors affecting U3O8

The following factors may affect U308's performance:

- U3O8's future performance will be largely tied to the outcome of future drilling results; public markets relating to junior exploration companies, as well as the price and market for uranium.

- Any decrease in the price of uranium could have an adverse effect on the Corporation's business and financial results. The Corporation mitigates this risk by having no debt and limits credit and interest rate risks to interest bearing assets in cash and cash equivalents. Accounts payable and accrued liabilities are short-term and non-interest bearing.

Financial Summary

Three months ended March 31, 2008 compared with three months ended March 31, 2007

The net loss for the three months ended March 31, 2008 was $2,074,353 an increase of $826,031 compared with the same period last year. Basic and diluted loss per share for the three months ended March 31, 2008 was $0.09, an increase of $0.04, or 80% compared with the same period last year. The increase in net loss was principally due to:

- An increase of $1,081,876 in exploration expenses (excluding stock-based compensation) in Guyana for the three months ended March 31, 2008, compared with the same period last year. The increase in exploration activity can be attributed to the Corporation complying with its recommended work program as disclosed in the Corporation's prospectus dated December 15, 2006;
- A decrease of $532,336 in stock-based compensation expense during the three months ended March 31, 2008, compared with the same period last year, mainly due to the timing of vesting of issued stock options;
- An increase of $2,000 in directors' compensation expense during the three months ended March 31, 2008, compared with same period last year. Each director of the Corporation is paid $10,000 per annum with the Chairman receiving an additional $12,000 per annum and the Audit Chair receiving $6,000 per annum;
- An increase of $29,490 in management compensation expense (excludes stock-based compensation) during the three months ended March 31, 2008, compared with the same period last year. This amount includes the remuneration for the CFO, new CEO and former CEO;
- An increase of $46,931 in foreign exchange gain during the three months ended March 31, 2008, compared with the same period last year. The increase in foreign exchange gain can be attributed to the increased transactions in Guyana;
- Significant transitional growth has occurred since December 6, 2005. Accordingly general operating expenses have increased in line with the growth. Investor relations, professional fees, reporting issuer costs and administrative and general costs have all increased as the Corporation moved to meet the needs of an increased shareholder base, regulatory requirements and corporate activity. The Corporation continues to assess these costs to ensure that cost effective choices are being made; and
- The increases in expenses during the three months ended March 31, 2008 were offset by a decrease in interest income of $72,757. The Corporation earned interest on liquid fixed income securities from funds raised from the initial public offering which occurred in December 2006.

Results of Operations

The Corporation through its subsidiary, Prometheus Guyana, concentrated its efforts on uranium exploration in its Reconnaissance Permit properties in Guyana. In order for the uranium properties to be profitable the asset must be developed into an economically viable uranium reserve.

In order to fund exploration for uranium, the Corporation filed a final prospectus dated December 15, 2006 and raised net proceeds of $28,323,700. The Corporation's proposed use of proceeds is in accordance with the final prospectus dated December 15, 2006, less adjustments and the Prospecting License granted on December 13, 2007, as outlined below:

Use of Proceeds	Proposed Use of Proceeds Per Final Receipted Prospectus dated December 15, 2006 ('000')	Spent To March 31, 2008 ('000')	Future Budgeted Expenditures ('000')
(i) Complete Phase I and, if warranted, Phase II of the recommended exploration program for the Reconnaissance Permits "A" and "B"	$11,600	$7,088	$4,608
(ii) Optional expenses to fund future growth plans	760	360	400
(iii) Payments to the Government of Guyana – Canadian dollar equivalent	nil	139	51
(iv) Prospecting Licence Budget	nil	nil	365
Use of Proceeds	$12,360	$7,587	$5,424

(i) For the three months ended March 31, 2008, , the Corporation has spent $1,676,755 (March 31, 2007 - $594,879) in exploration expenditures in furtherance of the recommended work programs in Guyana. These amounts exclude stock-based compensation and Permit "A" and Permit "B" acquisition costs. The Corporation anticipates spending all the funds raised by fiscal 2010.

As of March 31, 2008, a summary of funds spent to date is as follows:

	$
Funds spent from April 19, 2006 to September 30, 2006	693,923
Funds spent from October 1, 2006 to December 31, 2006	574,856
Funds spent from January 1, 2007 to March 31, 2007	594,879
Funds spent from April 1, 2007 to June 30, 2007	904,692
Funds spent from July 1, 2007 to September 30, 2007	1,141,766
Funds spent from October 1, 2007 to December 31, 2007	1,500,673
Funds spent from January 1, 2008 to March 31, 2008	1,676,755
Note: amounts exclude stock-based compensation	7,087,544

(ii) This amount represents expenses over the course of the ensuing 21 months which are not committed but required to fund the future growth plans of the Corporation, and include: (i) helicopter support to perform exploratory work on the Permit "B" area ($150,000); (ii) investor relations and business development ($200,000); and contingencies ($50,000).

(iii) The following payments are required to be made to the Government of Guyana by specified dates in order to maintain the Reconnaissance Permits in good standing. These dates and payments are as follows:

<u>Permit "B" Costs</u>

Date	Amount
June 2008	US$50,000

All payments have been made to the Government of Guyana to maintain Permit "A" in good standing. Permit "A" expires on November 23, 2008.

Permit "B" expires on May 31, 2009.

(iv) The Corporation is obliged to spend US$355,500 on its Prospecting Licence granted on December 13, 2007.

Selected Quarterly Information

Three Months Ended	Net loss $	Basic and diluted loss per share $
2008-March-31	(2,074,353) (1)	(0.09)
2007-December 31	(1,939,900) (2)	(0.08)
2007-September 30	(2,014,826) (3)	(0.09)
2007-June 30	(1,468,745) (4)	(0.06)
2007-March 31	(1,248,322) (5)	(0.06)
2006-December 31	(1,510,674) (6)	(0.17)
2006-September-30	(691,138) (7)	(0.07)
2006-June -30	(421,859) (8)	(0.04)

Notes:

(1) Net loss of $2,074,353 principally relates to a vesting amount of $101,276 regarding 1,960,000 stock options that were issued on December 15, 2006, 90,000 stock options that were issued on March 6, 2007 and 300,000 stock options issued on January 15, 2008 and exploration expenditures in Guyana in the amount $1,676,755 (excludes stock-based compensation of $11,697). All other expenses relate to general working capital purposes and management and director compensation. All expenses were offset by interest income of $184,320.

(2) Net loss of $1,939,900 principally relates to a vesting amount of $200,031 regarding 1,960,000 stock options that were issued on December 15, 2006 and 90,000 stock options that were issued on March 6, 2007 and exploration expenditures in Guyana in the amount $1,568,109 (excludes stock-based compensation of $72,329). The Corporation's net loss also includes a $172,000 payment to the former CEO as part of his compensation package for his departure from the Corporation. All other expenses relate to general working capital purposes and management and director compensation. All expenses were offset by interest income of $239,025.

(3) Net loss of $2,014,826 principally relates to a vesting amount of $264,868 regarding 1,960,000 stock options that were issued on December 15, 2006 and 90,000 stock options that were issued on March 6, 2007 and exploration expenditures in Guyana in the amount $1,141,766 (excludes stock-based compensation of $96,568). All other expenses relate to general working capital purposes and management and director compensation. All expenses were offset by interest income of $241,456.

(4) Net loss of $1,468,745 principally relates to a vesting amount of $472,734 regarding 1,960,000 stock options that were issued on December 15, 2006 and 90,000 stock options that were issued on March 6, 2007 and exploration expenditures in Guyana in the amount $904,692 (excludes stock-based compensation of $136,130). All other expenses relate to general working capital purposes and management and director compensation. All expenses were offset by interest income of $257,354.

(5) Net loss of $1,248,322 principally relates to a vesting amount of $633,612 regarding 1,960,000 stock options that were issued on December 15, 2006 and 90,000 stock options that were issued on March 6, 2007 and exploration expenditures in Guyana in the amount $594,879 (excludes stock-based compensation of $235,306). All other expenses relate to general working capital purposes and management and director compensation. All expenses were offset by interest income of $257,077.

(6) Net loss of $1,510,674 principally relates to a vesting amount of $595,595 regarding 1,960,000 stock options that were issued on December 15, 2006 and exploration expenditures in Guyana in the amount $599,642 (excludes stock-based compensation of $158,016). All other expenses relate to general working capital purposes.

(7) Net loss of $691,138 principally relates to exploration work in Guyana in the amount $542,584. All other expenses relate to general working capital purposes.

(8) Net loss of $421,859 principally relates to exploration work in Guyana in the amount $198,133, business development costs of $102,161 and accrued consulting fees of $42,000 to related parties. All other expenses relate to general working capital purposes.

Liquidity and Capital Resources

The activities of the Corporation, principally the acquisition and exploration of properties for uranium, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. For the periods indicated, the following equity transactions were completed:

Three months ended March 31, 2008

- No transactions occurred.

As at March 31, 2008, the Corporation had $20,432,184 in cash and cash equivalents and guaranteed investment certificates, compared with $22,515,045 at December 31, 2007. Working capital as of March 31, 2008 was $20,166,731 compared with $22,030,379 at December 31, 2007. The decrease was mainly due to the acquisition of property and equipment in the amount of $85,150, exploration expenditures in Guyana in the amount of $1,676,755 (excludes stock-based compensation) and funds spent on general corporate and administrative costs. The decease was offset by interest income received during the three months ended March 31, 2008 in the amount of $184,320. The Corporation earned interest on guaranteed investment certificates from funds raised from the initial public offering which occurred in December 2006.

U3O8 Corp. is a junior uranium exploration company without operating revenues and therefore, the Corporation must utilize its current cash reserves, income from investments, funds obtained from the exercise of broker warrants and stock options and other financing transactions to maintain the Corporation's capacity to meet the planned exploration in Guyana, or to fund any further development activities. See "Risks and Uncertainties" of this MD&A.

The Corporation relies on external financings to generate capital. As a result, U3O8 Corp. continues to incur net losses.

As of March 31, 2008, the Corporation had 23,057,700 Common Shares issued and outstanding, 568,300 broker warrants outstanding which would raise $1,420,750 if exercised in full, and 2,265,000 options outstanding which would raise $5,329,200 if exercised in full.

The Corporation continues to be debt free and its credit and interest rate risk is limited to interest bearing assets of cash and cash equivalents, and guaranteed investment certificates. Accounts payable and accrued liabilities are short-term and non-interest bearing.

The Corporation has no financial commitments or obligations beyond those optional budgeted payments required to fund the proposed work programs on the Permit "A" area and Permit "B" area in the amount of $4,607,704 and a prospecting licence budget of $364,921 (see "Results of Operations" of this MD&A).

Further, the Corporation must make payments totalling $51,325 to the Government of Guyana to maintain Permit "B" in good standing (see "Results of Operations" of this MD&A).

In addition to the financial commitments set forth above, the Corporation has allocated approximately $400,000 for future expenses over the course of the ensuing 21 months which are not committed but required to fund the future growth plans of the Corporation (see "Results of Operations" of this MD&A).

The Corporation's liquidity risk with financial instruments is minimal as excess cash is invested with two highly rated banks in Canada in bank backed guaranteed investment certificates. In addition, receivables are comprised mainly of Federal Goods and Services Tax (Canada) recoveries.

The funds on hand are adequate to meet the ongoing exploration program until fiscal 2010. However, the Corporation will require additional funds from equity sources to complete the development of the project in Guyana if warranted.

The Corporation has a short operating history which limits planning knowledge, but management expects no major change in liquidity requirements.

Related Party Transactions

The CFO, Carmelo Marrelli, is a partner in Marrelli & Drake Corporate Services ("M&D"), a firm which provides corporate secretarial and accounting services to U308. During the three months ended March 31, 2008, U308 expensed $10,151 (three months ended March 31, 2007 - $8,900) for services rendered by M&D. As at March 31, 2008, M&D was owed $11,595 (March 31, 2007 - $3,460) and this amount was included in accounts payable and accrued liabilities.

This transaction is in the normal course of operations and is measured at the exchange value (the amount established and agreed to by the related parties).

Off-Balance Sheet Arrangements

The Corporation has not entered into any off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions of a material nature being considered by U3O8 Corp. However, U308 Corp. continues to evaluate properties that it may acquire in the future.

Critical Accounting Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenue and expenses during the period. Critical estimates inherent in these accounting policies are the valuation of Permit "A" and Permit "B". The policy of expensing exploration costs to date does not necessarily relate to the future economic value of the exploration properties. The valuation of Permit "A" and Permit "B" is dependent entirely upon the discovery of economic uranium deposits and the ability of the Corporation to obtain several prospecting licences for uranium from the GGMC. Other items requiring estimates for the three months ended March 31, 2008 are accounts receivable, amortization of property and equipment, accounts payable and accrued liabilities, future income taxes and stock-based compensation. Changes in the accounting estimates in these items will not have a material impact on the financial presentation of U308.

Change in Accounting Policies

During the three months ended March 31, 2008, the Corporation adopted the following new accounting policies:

Capital Disclosures

Handbook Section 1535 specifies 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.

Financial Instruments

Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. A calendar year end public company will be required to have prepared, in time for its first quarter 2011 filing, comparative financial statements in accordance with IFRS for the three months ended March 31, 2010. The Corporation is currently assessing the impact of these new accounting standards on its consolidated financial statements.

Goodwill and Intangible Assets

The CICA has issued a new standard which may affect the financial disclosures and results of operations of the Corporation for interim and annual periods beginning January 1, 2009. Section 3064, Goodwill and intangible assets, establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC-27, Revenues and Expenses during the pre-operating period. As a result of the withdrawal of EIC-27, the Corporation will no longer be able to defer costs and revenues incurred prior to commercial production at new mine operations. The Corporation is currently assessing the impact of these new accounting standards on its consolidated financial statements.

Financial Instruments

The Corporation has not entered into any specialized financial agreements.

Subsequent events

On May 1, 2008, the Corporation granted an aggregate of 40,000 incentive stock options to a key employee, pursuant to the Corporation's Stock Option Plan, at an exercise price of $0.65 per share. The options are exercisable for a period of five years.

On May 16, 2008, the Corporation announced that the independent directors and a former director of the Corporation have agreed to the cancellation of 650,000 stock options.

Share Capital

As at May 26, 2008, the Corporation had 23,057,700 issued and outstanding Common Shares. As at May 26, 2008, U3O8 had 568,300 broker warrants and 1,655,000 stock options outstanding.

Disclosure of Internal Controls

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim consolidated financial statements and (ii) the unaudited interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Corporation, as of the date of and for the periods presented by the unaudited interim financial statements.

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (MI 52-109), the Corporation utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The Corporation's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and uncertainties

At the present time, the Corporation has an interest in Permit "A" and Permit "B" in Guyana. The Corporation's viability and potential success lie in its ability to develop, exploit and generate revenue out of uranium deposits. Revenues, profitability and cash flow from any future mining operations involving the Corporation will be influenced by uranium prices and by the relationship of such prices to production costs, as well as by general economic and other market factors. Such prices have fluctuated widely and are affected by numerous factors beyond the Corporation's control. The Corporation has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its permits in Guyana or to fulfill its obligations under applicable agreements. Although the Corporation has been successful in obtaining financing through the sale of equity securities in the past and its initial public offering in December 2006, there can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development among other things.