



MANAGEMENT'S DISCUSSION AND ANALYSIS

U308 CORP.

THREE AND SIX MONTHS ENDED JUNE 30, 2013

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**U3O8 CORP.****Management's Discussion & Analysis**

Three and Six Months Ended June 30, 2013

Introduction

This Management's Discussion and Analysis ("MD&A") is dated August 7, 2013, unless otherwise indicated and should be read in conjunction with the unaudited condensed interim consolidated financial statements of U3O8 Corp. ("U3O8 Corp.", "the Company", "we", "our" or "us") for the three and six months ended June 30, 2013 and the related notes. This MD&A was written to comply with National Instrument 51-102 – Continuous Disclosure Obligations. Results are reported in Canadian Dollars, unless otherwise noted. The results presented for the three and six months ended June 30, 2013, are not necessarily indicative of the results that may be expected for any future period.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting for the three and six months ended June 30, 2013. Information about U3O8 Corp., its minerals resources and technical reports prepared in accordance with National Instrument 43-101 ("NI 43-101") are available at www.u3o8corp.com or on SEDAR at www.sedar.com.

Highlights

Having defined initial NI 43-101 uranium resources and achieved positive metallurgical results across its key projects in Colombia, Argentina and Guyana, U3O8 Corp. is focused on advancing a sequenced strategy to position its Laguna Salada Deposit as a potential near-term producer in Argentina while building on the favourable and robust preliminary economic assessment ("PEA") reported on its Berlin Deposit in Colombia, which will take longer to develop due to its size but could also be a very low-cost uranium producer. To that end, we are progressing on the Laguna Salada PEA in Argentina that is expected in the latter half of 2013 – a key milestone in showing this project could be simple and easy to move into production using low-cost mining and processing methods that are expected to comply with current Chubut provincial mining law.

On May 14, 2013, U3O8 Corp. acquired Calypso Uranium Corp. ("Calypso"), which consolidated our strategic land holdings around Argentina's two largest known uranium deposits, enhanced our pipeline of targets for exploration after Laguna Salada and added \$3.3 million in working capital (before transaction costs). With this acquisition, U3O8 Corp. solidified its position as a leading uranium company in Argentina at a time when the country is calling for local uranium resources to supply its growing nuclear fleet.

Other Q2 2013 highlights were:

- We incurred cumulative cash exploration expenditures of \$0.8 million (excluding one-time retrenchment costs and taxes), down from \$3.8 million in Q2 2012 as 2013 work was largely focused on finalizing the PEA on the Laguna Salada Deposit in Argentina.
- At June 30, 2013, working capital was \$1.0 million (December 31, 2012 – \$2.3 million). We had \$1.3 million in cash and cash equivalents and guaranteed investment certificates held with major Canadian chartered banks ("total cash") (December 31, 2012 – \$1.3 million).
- We raised gross proceeds of \$0.4 million on the issuance of 2,025,000 units in a non-brokered private placement.

Overview

U3O8 Corp. is a Toronto-based exploration company focused on exploration and resource expansion of uranium and related minerals in South America. We are advancing a portfolio of NI 43-101 resources in Colombia, Argentina and Guyana as well as grassroots opportunities in these jurisdictions. To date, the Company has not earned any revenues from its exploration for uranium and related minerals.

Mineral Resources

U3O8 Corp. has initial NI 43-101 resource estimates on projects in Colombia, Argentina and Guyana:



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Project	NI 43-101 Resource	Tonnes (million)	Grade U ₃ O ₈	Grade V ₂ O ₅	Grade P ₂ O ₅	U ₃ O ₈ lbs (million)	V ₂ O ₅ lbs (million)	P ₂ O ₅ tonnes (million)
Berlin Project (Colombia)	Indicated	0.6	0.11%	0.4%	8.4%	1.5	6.0	0.5
	Inferred	8.1	0.11%	0.5%	9.3%	19.9	91.0	0.8
Laguna Salada (Argentina)	Indicated	47.3	60ppm	550ppm	--	6.3	57.1	--
	Inferred	20.8	85ppm	590ppm	--	3.8	26.9	--
Kurupung Project (Guyana)	Indicated	4.1	0.09%	--	--	8.4	--	--
	Inferred	4.3	0.08%	--	--	7.7	--	--

**Laguna Salada – uranium and vanadium grades can be increased between 3-11 times by screening. For uranium, this would lead to a head grade of 620-670ppm U₃O₈ from free-digging mineralization that lies at surface and typical of the mill feed grade of operating mines of similar deposits elsewhere in the world. See "Priority Exploration Projects" below.*

U308 Corp's NI 43-101 technical reports are available on our web site at www.u3o8corp.com and on SEDAR at www.sedar.com.

Exploration Projects

U308 Corp. has significant land holdings in Colombia, Argentina and Guyana in South America. The three most advanced projects with the potential to add further NI 43-101 resources in the short-term are the:

1. Berlin Project, a uranium resource in limestone and sandstone that also contains phosphate, vanadium, nickel, rare earths and other metals, in Colombia;
2. Laguna Salada Project, a surficial uranium-vanadium deposit in Argentina; and
3. Kurupung Project, an albitite-hosted uranium resource in Guyana.

We also have interests in early-stage uranium opportunities in these three countries, which may offer exploration upside for the future. Through our investee companies, South American Rare Earth Corp. ("SAREC") in Argentina and Minexco Minerals Corp. ("Minexco") in Guyana, grassroots targets offer potential for rare earth elements as well as gold and iron oxide-gold-copper ("IOCG") respectively.

Other than discussed elsewhere, there has been no material change in the general trends affecting the Company to those discussed under "Trends" in U308 Corp's MD&A for the fiscal year ended December 31, 2012, available on our web site at www.u3o8corp.com and on SEDAR at www.sedar.com.

Outlook

U308 Corp's uranium assets in South America comprise NI 43-101 resources in Colombia, Argentina and Guyana. We aim to continue enhancing the economics of the Berlin PEA, complete the Laguna Salada PEA while setting up for further growth in our global uranium resources. Since mineralization in the three deposits is open, the rate at which we increase resources is dependent on the drill budgets that are adjusted according to market conditions:

1. **Berlin Project, Colombia** – a NI 43-101 multi-commodity resource of uranium, phosphate, vanadium, nickel, rare earths (yttrium and neodymium) and other metals has been defined on the southern third of the 10.5 kilometre ("km") mineralized trend at Berlin. A PEA shows that revenue from the by-products could pay for extraction of the uranium – making Berlin a potential zero cash-cost uranium producer. Scout drilling suggests that the existing resource could grow to 40-50 million pounds ("Mlb")¹ of uranium along 6.3km of the Berlin trend. Therefore, infill drilling is expected to grow the Berlin Deposit, contributing to a larger resource that is likely to positively impact the project's economics. However, both infill drilling and further exploration drilling in the northernmost 4km of the mineralized trend have been deferred until market conditions improve. During these volatile markets, our focus is on optimizing specific areas of the PEA with the aim of increasing revenue while lowering operating costs to further enhance the project's economics.

¹ Berlin Project – U308 Corp. has defined a multi-commodity resource on just 3km of the 10.5km long Berlin trend. See the January 31, 2013 technical report: "Berlin Project, Colombia – Preliminary Economic Assessment, NI 43-101 Report." See also "Overview – Mineral Resources" above. Based on the resource and scout drilling results, there is a conceptual uranium target of 27-36 million tonnes ("Mt") at 0.09% to 0.11% U₃O₈ (60-80Mlb) on the entire 10.5km trend. Potential quantity and grades are conceptual in nature. There has been insufficient exploration to define a mineral resource north of the current Berlin deposit. It is uncertain if further exploration will result in additional mineral resources being delineated on the property.



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2. **Laguna Salada Project, Argentina** – A PEA is progressing on the initial NI 43-101 uranium-vanadium resource at Laguna Salada towards our goal of defining a pathway towards potential near-term production. This study is expected to be completed in the latter half of 2013. Ongoing metallurgical work aims to optimize the beneficiation process and extraction rates using alkaline leach to enhance the project's economics. Exploration results towards resource expansion are also expected to be reported on shortly.
3. **Kurupung Project, Guyana** – The current NI 43-101 Kurupung resource is based on four vein-breccias. Scout drilling has identified another six mineralized structures that are awaiting infill drilling to contribute towards a probable increase in resources. In addition, field work has identified compelling targets that warrant scout drilling. Further work on the project will be limited until equity markets improve.

At June 30, 2013, U3O8 Corp. had \$1.3 million in total cash. Additional funds will be required to further advance its lead projects. There is no assurance that these funds can be raised upon terms acceptable to the Company or at all.

U3O8 Corp's performance will be tied to the outcome of the improvements to the PEA on the Berlin Deposit in Colombia, completion of a positive PEA on the Laguna Salada Deposit in Argentina and successful exploration programs in Colombia, Argentina and Guyana. There is no guarantee that the Company will discover an economic mineral deposit from its exploration activities. See below "Caution Regarding Forward-Looking Statements."

We believe our goal of improving the economics on the Berlin PEA while providing the first financial estimates on the Laguna Salada Deposit will continue to provide shareholders with a reliable and independent means of valuing the Company. At the same time, exploration results have shown that the Berlin Deposit is likely to be significantly larger than the initial resource on which the current PEA is based, which should provide an indication of additional upside potential to the Company's valuation.

Priority Exploration Projects

Berlin Project, Colombia

The Berlin Project is located in Caldas Province of central Colombia. Berlin was investigated by a French company, Minatome, between 1978-1981 when the company was nationalized by the French government. Minatome made a historic (non-NI 43-101 compliant) resource estimate² of 38Mlb U₃O₈ on the southern 4.4km of a 10.5km long keel-shaped fold. Historic work did not include estimates for commodities other than uranium. The maximum altitude of the Berlin Project is 1,400 metres ("m"), well below the Paramo ecosystem that lies above 3,000m for which additional environmental restrictions apply in Colombia. The project is favourably located adjacent to Colombia's agricultural heartland between the country's largest cities of Bogota and Medellin with infrastructure nearby. A 395 megawatt hydroelectric plant lies 12km from the project. A principal highway, a major river that is navigable by barge and a railway line that the Government has reportedly prioritized for refurbishment, lie 60km east of the project.

Since acquiring the project in April 2010, U3O8 Corp. has advanced an intensive exploration program to delineate a maiden NI 43-101 resource of uranium, phosphate, vanadium, rare earths and other commodities on just the southern 3km of the Berlin trend³. Exploration drilling on 600m to 1,700m step-outs has confirmed that mineralization extends over an additional area that is more than double the size of the maiden resource area, which may contain another 25-30Mlb³ of uranium. The project shows excellent geological continuity with the mineralization consistently intersected in a specific identifiable limestone-sandstone unit in both the exploration drilling and resource area. Further scout drilling is planned to show the size potential of the entire Berlin trend and subsequent infill drilling would be required to increase the resource.

² Berlin Project – A historic resource (not in accordance with NI 43-101) of 12.9Mt at 0.13% U₃O₈ (38Mlb) was reported in Castano, R. (1981), *Calcul provisoire des reserves geologiques de Berlin, sur la base des resultants des sondages*, unpublished Minatome report, 15p. U3O8 Corp. is not treating the historic estimate as current mineral resources or mineral reserves, but viewed merely as an indication of the uranium resource potential on the southern 4km of the 10.5km long syncline. U3O8 Corp. has defined a multi-commodity mineral resource on the southern 3km of the Berlin trend. See note 1 on page 3.

³ Berlin Deposit – See note 1 on page 3.

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In addition, U308 Corp. achieved positive metal recoveries in extensive metallurgical test work conducted by four independent labs that show the uranium and suite of other commodities of economic interest at Berlin can be efficiently and effectively extracted using a ferric iron leach method. While metallurgical test work from 10% of bore hole intercepts would be considered a representative sample, we took a conservative approach in using 35% of the bore hole intercepts from throughout the initial resource area for our test work. A complete flow sheet for processing the Berlin material from beneficiation, extraction to recovery of the individual commodities has been defined and incorporated in the recently published Berlin PEA.

U308 Corp. achieved a key milestone in reporting a positive PEA on its Berlin Deposit, which showed that the uranium could be produced at \$0 per pound ("lb") thanks to revenue from the associated by-products of phosphate, vanadium, nickel, rare earths and other metals covering the costs of extracting the uranium. The PEA valued Berlin at a 10% discounted net present value ("NPV") of US\$223 million for an internal rate of return ("IRR") of 19%. The financial model estimates an initial capital investment of US\$360 million plus US\$40 million in sustaining capital and a US\$41 million contingency for an underground operation, crushing facility and processing plant that would produce an average of 1.2Mlb of uranium annually. Berlin is expected to generate US\$2.8 billion in revenue with operating cash flow of US\$982 million over the 15-year life of the mine. Uranium (35%), phosphoric acid (31%), nickel (15%), vanadium (9%) and yttrium (6%) represent the most significant commodities in terms of revenue in the mineralized material at Berlin.

Although conducted early in the life of the project, the Berlin PEA indicates robust economics based on only one-third of the mineralized unit. Higher returns should be generated assuming the size of the deposit increases, generating efficiencies of scale, and ongoing metallurgical test work result in modifications to the flow sheet to reduce operating costs. The economic model identifies specific areas in which revenue could be increased and operating costs reduced in order to achieve increased margins to further enhance the project's economics.

Laguna Salada Project, Argentina

The Laguna Salada Project is a near-surface, free-digging deposit in Chubut Province, Argentina on which U308 Corp. has reported an initial NI 43-101 uranium-vanadium resource⁴. Laguna Salada has the potential to be a near-term producer using low-cost mining and processing methods. Mineralization occurs at the surface of flat-topped mesas to a maximum depth of approximately 3m within a flat to gently undulating layer that averages 0.95m thick. The uranium-vanadium occurs in soft, unconsolidated sandy gravel that requires no blasting or crushing. Mining would involve scooping up the mineralized layer with a continuous surface miner and screening out the pebbles and coarse sand, leaving the mineralized fines for transport to a central processing facility. As a result of removal of the coarse material, uranium and vanadium grades in the residual fine material increase three to 11 times. For uranium, this would result in a head grade (the metal-rich fines that would enter a leach circuit) of approximately 620-670ppm U₃O₈ – similar to the mill feed grade of operating surficial uranium deposits elsewhere in the world. The pebbles and coarse sand would be immediately returned to the excavated area, and the land re-contoured to its original topography, seeded and reclaimed while mining continued in the adjacent area.

Alkaline leaching of the metal-rich fines in the Guanaco area, which constitutes 90% of the Laguna Salada Deposit, has confirmed excellent uranium and moderate vanadium recovery with very low reagent consumption. Metallurgical test work is ongoing to optimize the beneficiation and recovery results achieved to date. A flow sheet is being developed for the processing of mineralized material from Laguna Salada.

A PEA on the Laguna Salada Deposit, is due in the 2H 2013 and should position the project for further advancement as Argentina seeks local uranium supply to reduce its 100% reliance on imported fuel for its expanding nuclear reactor fleet. As one of the most advanced uranium projects in Argentina, Laguna Salada is expected to be simple and easy to move into production in a relatively short timeframe.

⁴ Laguna Salada Project – See the May 20, 2011 technical report: "Laguna Salada Project, Chubut Province, Argentina: NI 43-101 Technical Report: Initial Resource Estimate." See also "Overview – Mineral Resources" above.



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Regulatory Update on Chubut Province

Open pit mining and processing with cyanide are currently banned in Chubut Province, Argentina. U3O8 Corp's Laguna Salada Project is in Chubut – the same province as the state-owned Cerro Solo uranium deposit where CNEA (Argentinean National Nuclear Commission) is drilling to expand the existing resource. The Laguna Salada PEA contemplates continuous surface mining from which the pebbles and coarse sand are screened and returned to the mined area. The gravel would then be recontoured to its original landscape, and revegetated, so no open pit would be left after mining. Cyanide is also not used to process the mineralized material, and hence, the mining and processing methods contemplated for Laguna Salada are expected to be compliant with current Chubut mining legislation.

Of note, the Chubut Government views uranium as a strategic commodity, whereby consideration is being given to encourage uranium exploration and development that could provide local uranium for Argentina's growing nuclear power generation plans. Argentina has two operating reactors. When a third reactor comes online later in 2013, 9% of Argentina's electricity will come from nuclear – and a fourth reactor is open for tender and a fifth is contemplated. With Brazil's third reactor reported to need imported uranium, and nuclear cooperation agreements signed with China, the United Arab Emirates and South Korea, there is also export potential for Argentine uranium. Argentina's nuclear leadership in South America is reflected in its research centres, medical isotope and enrichment facilities, heavy water production facility and small reactor design.

Kurupung Project, Guyana

U3O8 Corp's exploration drilling shows that the Kurupung uranium district in Guyana may contain a resource of size and grade comparable with peer deposits that typically host 60-130Mlb of uranium resources with grades of 0.06% to 0.10% U_3O_8 , contained in multiple structures⁵. The NI 43-101 uranium resource on the Kurupung⁶ is based on only four of the 10 mineralized structures identified to date. The remaining six structures are ready for resource drilling in due course.

Field evidence suggests that uranium in the Aricheng area consists of one large system of linked structures, which could have positive implications for resource growth potential. These structures are marked by weakly magnetic corridors that are clearly visible in geophysical data. Each of the Aricheng South, Aricheng West, Aricheng North and Aricheng C resources lies within one of these weakly magnetic areas. Soil geochemistry anomalies that are coincident with weakly magnetic areas represent targets that warrant scout drilling. Soil geochemistry also identified larger targets that may have an IOCG affinity that should be investigated in due course.

82% uranium recoveries were achieved using acid leach in initial metallurgical test work⁶ on hard-rock from the Kurupung. Further exploration and metallurgical testing has been minimized until the financial markets improve.

Grassroots Exploration

While the priority remains on U3O8 Corp's three lead uranium projects in Colombia, Argentina and Guyana as discussed above, we also have interests in investee companies with early-stage and reconnaissance properties including:

South American Rare Earth Corp. ("SAREC") – 18.2% owned by U3O8 Corp.

SAREC's focus is on its early-stage Jasimampa Project in Argentina, which shows promise for light rare earths ("LREE"), mainly cerium, lanthanum and neodymium, as well as phosphate. An airborne magnetic and radiometric survey has identified two large targets. Further trenching is planned and assay values will be tied back to the geophysics to generate drill targets.

⁵ Albitite-hosted uranium systems – Comparison of the Kurupung Project with other uranium deposits are conceptual in nature. There is no certainty that further exploration on the Kurupung will result in the delineation of a similar size mineral resource.

⁶ Kurupung Deposit – See the June 26, 2012 technical report: "Technical Review and Mineral Resource Estimates of the Aricheng C and Aricheng West Structure, Kurupung Uranium Project, Mazaruni District, Guyana for U3O8 Corp." See also "Overview – Mineral Resources" above.



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Minexco Minerals Corp. – 8% owned by U3O8 Corp.⁷

The interest in Minexco provides U3O8 Corp's shareholders with exposure to promising targets for gold and IOCG deposits in a prospective part of Guyana adjacent to the Company's Kurupung Project. Exploration is funded by Minexco and the work is carried out by a unit of U3O8 Corp's non-core Guyana team on a contract basis for Minexco.

Technical Disclosure

Dr. Richard Spencer, President and Chief Executive Officer ("CEO") of the Company, is the "qualified person" as defined by NI 43-101. Dr. Spencer has supervised the preparation of, and verified, all technical information contained in this MD&A related to the Company's projects in South America.

Summary of Quarterly Results

The following quarterly results for the eight most recent quarters have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Three Months Ended (*)	Net Loss (\$)	Basic and Diluted Loss Per Share (\$)
2013-June 30	(2,687,589)	(0.02)
2013-March 31	(1,815,922)	(0.01)
2012-December 31	(1,883,730)	(0.02)
2012-September 30	(4,635,084)	(0.04)
2012-June 30	(4,997,932)	(0.04)
2012-March 31	(3,575,251)	(0.03)
2011-December 31	(4,649,708)	(0.05)
2011-September 30	(5,468,539)	(0.05)

(*) U3O8 Corp. did not have any income (loss) before discontinued operations or extraordinary items for each period presented.

U3O8 Corp. is an advanced exploration company focused on defining mineral resources and advancing them towards production. At this time, commodity market fluctuations have no direct impact on our results or operations but influence our exploration approach based on our expectations regarding our ability to raise capital to advance projects. We expense our exploration costs. In 2012, we focused on wider-spaced scout drilling and field-based exploration with the aim of showing additional size potential beyond the initial deposits, refining metallurgical processes to enhance favourable results to date and starting PEA work on the Colombian and Argentinean deposits. Having defined initial resources and achieved positive metallurgical results, further exploration was minimized as the priority shifted to showing the potential economic viability of these projects. Accordingly, lower spending in the first half of 2013 reflected completion of the Berlin PEA in Colombia that showed positive economics on the initial deposit while we continued to advance the PEA in Argentina and conduct ongoing metallurgical test work towards showing that the Argentine deposit could be a low-cost, near-term uranium producer.

⁷ Minexco – Currently, U3O8 Corp. holds approximately 8% of Minexco's shares outstanding with the potential to increase to 11% upon Guyanese government approval of the transfer of two remaining concessions.

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Results of Operations for the Three and Six Months Ended June 30, 2013

For Q2 2013, U3O8 Corp's net loss declined to \$2,687,589 or \$0.02 loss per share (Q2 2012 – net loss of \$4,997,932 or \$0.04 loss per share). For the six months ended June 30, 2013, net loss declined to \$4,503,511 or \$0.03 loss per share (1H 2012 – net loss of \$8,573,183 or \$0.07 loss per share). The decrease in net loss in both Q2 and 2013 year-to-date compared to the same prior year periods were principally due to limited exploration activities as the key Colombian and Argentine deposits had advanced to the PEA stage to show the economic potential of these projects as well as cash conservation until equity markets improve.

Colombia cash exploration expenses (excluding stock-based compensation, taxes, amortization and one-time retrenchment costs of \$127,370 in Q2 2013 and \$184,754 1H 2013) decreased by \$1,840,278 to \$244,380 for Q2 2013 and declined by \$2,335,311 to \$844,561 for the 1H 2013 compared with the same 2012 periods (Q2 2012 – \$2,084,658; 1H 2012 – \$3,179,872). These declines reflected completion of the Berlin PEA during the first quarter of 2013 while further exploration continued to be deferred given ongoing uncertainty in the markets and work remained focused on evaluating areas that could build on the project's favourable economics.

Argentina cash exploration expenses (excluding stock-based compensation, amortization and one-time retrenchment costs of \$148,472 in Q2 2013) were down by \$372,308 to \$351,365 in Q2 2013 and declined by \$770,944 to \$647,314 in the first half of 2013 compared with the same 2012 periods as ongoing work focused on the PEA on the initial uranium-vanadium deposit at Laguna Salada (Q2 2012 – \$723,673; 1H 2012 – \$1,418,258).

In Guyana, cash exploration expenses (excluding stock-based compensation, amortization and one-time retrenchment costs of \$19,624 in Q2 2013) were down by \$742,281 to \$240,177 in Q2 2013 and decreased by \$1,406,140 to \$508,105 on a year-to-date basis (Q2 2012 – \$982,458; 1H 2012 – \$1,914,245) as further exploration was minimized to commit funds and resources to the more advanced projects in the other countries.

General and administrative ("G&A") cash spending declined to \$531,330 in Q2 2013 and to \$1,068,088 year-to-date (Q2 2012 – \$876,084; 1H 2012 – \$1,487,005) mainly due to reduced stock-based compensation expense and minimizing spend on marketing and business development activities as well as lower professional fees from advisory costs related to new opportunities being evaluated compared with the prior year periods.

Foreign exchange losses of \$92,053 in Q2 2013 and \$94,549 in the first half of 2013 (Q2 2012 – gain of \$96,263; 1H 2012 – gain of \$101,378) were due mostly to US Dollar exchange rate fluctuations. Interest income declined to \$15,046 in Q2 2013 and to \$24,706 in 1H 2013 (Q2 2012 – \$36,112; 1H 2012 – \$58,071) as invested funds were depleted for exploration expenditures and operating costs.

U3O8 Corp. has significant influence over the operations of SAREC in which the Company transferred its Jasimampa property to SAREC in April 2011. From its 18.2% equity share of SAREC, we recorded a \$22,000 loss in Q2 2013 and a \$51,000 loss in the 2013 year-to-date (Q2 2012 – loss of \$86,000; 1H 2012 – loss of \$218,000). The decrease reflected limiting exploration to conserve cash in light of uncertain capital markets.

In the first half of 2013, a deferred income tax recovery of \$804,077 resulted from expired warrants in Q1 2013 and was offset by a \$1,264,368 unrealized loss on our shares held in Pinetree Capital Ltd. ("Pinetree") (TSX: PNP) that was marked to market as at June 30, 2013.

Liquidity and Capital Resources

U3O8 Corp. is an exploration company focused on uranium and associated commodities that are used in the generation of low-emission energy and green technology. The Company does not have operating revenues; and therefore, it must utilize its current cash reserves, income from investments, funds obtained from the exercise of stock options and warrants and other financing transactions to maintain its capacity to meet the planned exploration programs, or to fund any further development activities.

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At June 30, 2013, total cash was \$1,346,174 (December 31, 2012 – \$1,279,948) and working capital was \$993,085 (December 31, 2012 – \$2,294,693). The consistent cash levels reflected two private placements during the first half of 2013 as well as funds added from the Calypso acquisition. A major factor in the reduction of working capital compared to year-end was the reclassification of the shares held in Minexco to non-current assets given its longer-term investment prospects.

On January 11, 2013, \$2.3 million in gross proceeds were raised through the issuance of 10,525,000 units at \$0.22 per unit (of which \$2.2 million was satisfied by the issuance to U3O8 Corp. of common shares in Pinetree (TSX: PNP)). Each unit comprised one common share and one-half of one warrant. A full warrant is exercisable into one common share of the Company at \$0.30 per share until January 11, 2015.

On April 15, 2013, we issued 2,025,000 units at \$0.20 per unit to raise \$0.4 million in gross proceeds. Each unit comprised one common share and a one-half of one warrant. Each whole warrant is exercisable into one common share at \$0.30 per share until April 15, 2015.

On May 14, 2013, U3O8 Corp. acquired Calypso, which provided us with a dominant land position strategically located around Argentina's two largest known uranium deposits and added about \$3.3 million in working capital (before transaction costs) in exchange for 20,252,327 common shares of U3O8 Corp.

At June 30, 2013, accounts payable and accrued liabilities were \$1,884,821 (December 31, 2012 – \$1,565,391) as activities increased compared to year-end. Total cash and investments as at June 30, 2013 were sufficient to pay these liabilities.

Since its 2012 year-end, there has been no material change to the Company's material commitments, which related to office lease agreements in Canada, Colombia, Argentina and Guyana expiring at various periods up to June 2017.

As of the date of this MD&A, U3O8 Corp. had issued and outstanding 160,632,882 common shares, 18,904,764 warrants and 11,836,500 stock options. The full exercise of all warrants and options could raise approximately \$15.5 million. Exercise of these warrants and options is not anticipated until the market value of U3O8 Corp's common shares increases in value.

U3O8 Corp. remains debt free and its credit and interest rate risk is limited to interest-bearing assets of cash and bank or government guaranteed investment vehicles. Accounts payable and accrued liabilities are short-term and non-interest bearing. The Company's liquidity risk with financial instruments is minimal as excess cash is invested with major Canadian chartered banks in government-backed securities or bank-backed guaranteed investment certificates. In addition, accounts receivable are composed mainly of federal Harmonized Sales Tax (Canada) recoveries and deposits with service providers.

At June 30, 2013, U3O8 Corp. had \$1.3 million in total cash and its investment in Pinetree (TSX: PNP) to fund planned expenditures in the short-term for fiscal 2013. Certain of the Company's discretionary exploration activities have considerable scope for flexibility in terms of the amount and timing of exploration, and expenditures may be adjusted accordingly. **However, U3O8 Corp. will require additional funds from equity sources to maintain momentum on its three lead projects, including those acquired from Calypso, and to complete the development of our projects in Colombia, Argentina and Guyana, if warranted. There is no assurance that these funds can be raised upon terms acceptable to the Company or at all. Accordingly, the Company's financial statements have been prepared on a going concern basis. Material adjustments could be required if the Company cannot obtain adequate financing. See "Risks Factors" below.**

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Related Party Transactions

U3O8 Corp. entered into the following transactions with related parties:

Related Parties	Three Months Ended June 30		Six Months Ended June 30	
	2013	2012	2013	2012
John Ross ⁽ⁱ⁾	\$ 15,000	\$ 15,000	\$ 30,000	\$ 30,000

(i) Fees paid to U3O8 Corp's CFO were included in accounts payable and accrued liabilities.

(b) Remuneration of directors and key management of the Company was as follows.

	Three Months Ended June 30		Six Months Ended June 30	
	2013	2012	2013	2012
Salaries and benefits ⁽ⁱ⁾	\$ 84,934	\$ 89,934	\$ 169,868	\$ 168,868
Stock-based compensation	\$ 52,717	\$ 117,470	\$ 77,729	\$ 150,815
Total	\$ 137,651	\$ 207,404	\$ 247,597	\$ 319,683

(i) Included in salaries and benefits are director fees. The Board of Directors do not have employment or service contracts with the Company. They are entitled to director fees and are eligible for stock options for their services.

(c) Sheldon Inwentash, a director of the Company is the chairman, CEO and director of Pinetree. On January 11, 2013, U3O8 Corp. raised gross proceeds of \$2,315,500 through the issuance of 10,000,000 units at \$0.22 per unit, of which \$2.2 million was satisfied by the issuance to U3O8 Corp. of 2,528,736 common shares in Pinetree.

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions of a material nature being considered by U3O8 Corp. However, the Company continues to evaluate properties and corporate opportunities.

Change in Accounting Policies

During the six months ended June 30, 2013, the same accounting policies, methods of computation and critical accounting estimates are followed in these unaudited condensed interim consolidated financial statements as compared with the annual financial statements as at and for the year ended December 31, 2012 ("FY 2012 financial statements"), except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2013 could result in restatement of these condensed interim financial statements.

**U3O8 CORP.****Management's Discussion & Analysis**

Three and Six Months Ended June 30, 2013

At January 1, 2013, U3O8 Corp. adopted the following pronouncements: Consolidated Financial Statements ("IFRS 10"), Joint Arrangements ("IFRS 11"), Disclosure of Interests in Other Entities ("IFRS 12"), Investments in Associates and Joint Ventures ("IAS 28") and Financial Instruments: Disclosures ("IFRS 7") as described in the Company's FY2012 financial statements as well as those policies presented below.

(i) IFRS 10 was issued by the IASB in May 2011. IFRS 10 is a new standard which identifies the concept of control as the determining factor in assessing whether an entity should be included in the consolidated financial statements of the parent company. Control is comprised of three elements: power over an investee; exposure to variable returns from an investee; and the ability to use power to affect the reporting entity's returns.

(ii) IFRS 11 was issued by the IASB in May 2011. IFRS 11 is a new standard which focuses on classifying joint arrangements by their rights and obligations rather than their legal form. Entities are classified into two groups: parties having rights to the assets and obligations for the liabilities of an arrangement, and rights to the net assets of an arrangement. Entities in the former case account for assets, liabilities, revenues and expenses in accordance with the arrangement, whereas entities in the latter case account for the arrangement using the equity method.

(iii) IFRS 12 was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles, and off balance sheet vehicles.

The adoption of these policies had no material impact on the Company's unaudited condensed interim consolidated financial statements.

Management of Capital

U3O8 Corp. manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out its defined exploration programs and to meet its ongoing administrative costs. The Company considers its capital to be equity, which comprises share capital, other components of equity and accumulated deficit, which at June 30, 2013, totalled \$15,008,706 (December 31, 2012 – \$14,543,245).

This capital management is achieved by the Board of Directors' review and acceptance of exploration budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other fundraisings.

The Company is not subject to any material externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the Company's size, is appropriate. There were no changes in our capital management approach during Q2 2013.

Internal Controls over Financial Reporting and Disclosure Controls and Procedures

During the six months ended June 30, 2013, there was no change in the Company's internal controls over financial reporting and disclosure controls and procedures since reported for the year ended December 31, 2012, nor were there any significant deficiencies in the Company's internal controls identified requiring corrective actions.

The Company's management, with the participation of its CEO and CFO, has evaluated the effectiveness of the Company's internal controls over financial reporting and disclosure controls and procedures. Based on that evaluation, the Company's CEO and CFO have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures and internal controls over financial reporting were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods.



U3O8 CORP.

Management's Discussion & Analysis

Three and Six Months Ended June 30, 2013

The Company's management, including the CEO and the CFO, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

Share Capital

At August 7, 2013, U3O8 Corp. had 160,632,822 issued and outstanding common shares, 18,904,764 warrants and 11,836,500 stock options outstanding, each exercisable to acquire one common share, for 191,374,086 common shares outstanding on a fully diluted basis.

Risk Factors

An investment in the securities of U3O8 Corp. is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors, which have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Refer to the section entitled "Risk Factors" in the Company's MD&A for the fiscal year ended December 31, 2012, on U3O8 Corp's web site at www.u3o8corp.com and on SEDAR at www.sedar.com. There have been no significant changes to such risk factors since that date other than as discussed herein.

Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-Looking Statements	Assumptions	Risk Factors
Potential of U3O8 Corp's properties to contain economic deposits, to become near-term and/or low-cost producers (including the potential of the Berlin Project to generate US\$2.8 billion in revenue) (see above sections – "Highlights", "Overview", "Priority Exploration Projects" and "Summary of Quarterly Results")	<p>Availability of financing for our projects.</p> <p>Actual results of our exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>NI 43-101 technical reports including assumptions in the PEA on the Berlin Deposit are correct and comprehensive.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>Ability to retain and attract skilled staff.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Variations from the technical reports including assumptions in the Berlin PEA.</p> <p>Inability to replicate laboratory and other</p>

**U308 CORP.****Management's Discussion & Analysis****Three and Six Months Ended June 30, 2013**

Forward-Looking Statements	Assumptions	Risk Factors
	<p>All requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U308 Corp. including development of the Argentine deposit in compliance with Chubut Provincial mining law.</p> <p>Social engagement and local acceptance of our projects.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>smaller scale test results on a larger scale.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Price volatility of uranium and other associated commodities impacting the economics of our projects.</p>
Potential to increase uranium and vanadium grades by 3-11 times at Laguna Salada by screening (see above sections – "Overview" and "Priority Exploration Projects")	Results from previous small scale metallurgical test work can be replicated on a larger scale.	Inability to replicate laboratory and other smaller scale test results on a larger scale.
Expected completion of a PEA on the Laguna Salada Deposit in the latter half of 2013 (see above sections – "Highlights", "Outlook" and "Priority Exploration Projects")	Timing of work to be completed and the ability to retain consultants to finalize the PEA.	Delays in completing the work being undertaken by external consultants on finalizing the PEA.
Uranium and suite of other commodities of economic interest at Berlin can be extracted using a ferric iron leach method (see above section – "Priority Exploration Projects")	<p>Results from previous small scale metallurgical test work conducted in multiple labs can be replicated on a larger scale.</p> <p>Test results from samples from 35% of the drill hole intercepts throughout the initial resource area are appropriately representative of the whole.</p>	<p>Inability to replicate laboratory and other smaller scale test results on a larger scale.</p> <p>Test results from samples from 35% of the drill hole intercepts throughout the initial resource area prove not to be adequately representative of the whole.</p>
By-product revenues at Berlin could pay for extraction of the uranium and make Berlin a potential zero cash cost uranium producer (see above sections – "Highlights", "Overview" and "Priority Exploration Projects")	<p>Assumptions in the Berlin PEA are correct and comprehensive.</p> <p>Actual results of our exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U308 Corp.</p> <p>Economic, political and industry market conditions will be favourable, including without limitation, the prices for applicable by-products.</p>	<p>Price volatility of uranium and other commodities associated with our deposits impacting the economics of our projects.</p> <p>Variations from the assumptions in the Berlin PEA.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Increases in costs, environmental compliance and changes in environmental, other local legislation and regulation and the political and economic climate.</p>

**U3O8 CORP.****Management's Discussion & Analysis****Three and Six Months Ended June 30, 2013**

Forward-Looking Statements	Assumptions	Risk Factors
Potential to expand the NI 43-101 resources on U3O8 Corp's existing projects and achieve its growth targets (see above sections – "Overview", "Outlook" and "Priority Exploration Projects")	<p>Availability of financing.</p> <p>Actual results of our exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>NI 43-101 technical reports are correct and comprehensive.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>Ability to retain and attract skilled staff.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U3O8 Corp.</p> <p>Social engagement and local acceptance of our projects.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Variations from the technical reports.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Price volatility of uranium and other associated commodities impacting the economics of our projects.</p>
Ability to meet working capital needs for fiscal 2013 (see above sections – "Results of Operations" and "Liquidity and Capital Resources")	<p>Operating and exploration activities and associated costs will be consistent with our current expectations.</p> <p>The Company will continue to operate, realize its assets and meet its liabilities in the normal course of business.</p> <p>Capital markets and financing opportunities are favourable to U3O8 Corp.</p> <p>Sale of any investments, if warranted, on acceptable terms.</p>	<p>Volatility in the capital markets impacting availability and timing of financings on acceptable terms and value of investments may affect the Company's ability obtain funding to continue as a going concern.</p> <p>Increases in costs, environmental compliance and changes in environmental, other local legislation and regulation.</p> <p>Adjustments to currently proposed operating and exploration activities.</p> <p>Price volatility of uranium and other commodities impacting sentiment for investment in the resource markets.</p>
Plans, costs, timing and capital for future exploration and development of U3O8 Corp's properties including the potential impact of complying with existing and proposed laws and regulations (see above sections – "Overview", "Outlook", and "Priority Exploration Projects")	<p>Availability of financing.</p> <p>Actual results of our exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>Ability to retain and attract skilled staff.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on acceptable terms including developing the Argentine deposit in compliance with Chubut Provincial mining law.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility of future exploration results, metallurgical test work and economic studies will not be consistent with our expectations.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Price volatility of uranium and other commodities impacting the economics of our projects.</p>

**U3O8 CORP.**

Management's Discussion & Analysis

Three and Six Months Ended June 30, 2013

Forward-Looking Statements	Assumptions	Risk Factors
Management's outlook regarding future trends (see above sections – "Overview", "Outlook", and "Priority Exploration Projects")	Availability of financing. Actual results of our exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable. Prices for uranium and other commodities will be favourable to U3O8 Corp. Government regulation in Chubut Province will support development of our Argentine deposit. Fundamentals of the uranium market continue to be favourable.	Price volatility of uranium and other commodities impacting the economics of our projects, appetite for investing in uranium equities and growth in the nuclear industry. Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations. Increases in costs, environmental compliance and changes in economic, political and industry market climate.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond U3O8 Corp's ability to predict or control. Please also make reference to those risk factors listed in the "Risk Factors" section above. Readers are cautioned that the above chart is not exhaustive of the factors that may affect the forward-looking statements, and that the underlying assumptions may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause U3O8 Corp's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Additional Information

Additional information relating to U3O8 Corp., including its Annual Information Form for the year ended December 31, 2012, is available on SEDAR at www.sedar.com.