



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**U308 CORP.**

**THREE AND SIX MONTHS ENDED JUNE 30, 2014**

**Prepared by:**

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

Three and Six Months Ended June 30, 2014

## Introduction

This Management's Discussion and Analysis ("MD&A") is dated August 6, 2014, 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 months ended June 30, 2014 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, 2014, 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 Financial Reporting Standards ("IFRS") for the three and six months ended June 30, 2014. Information about U3O8 Corp., its minerals resources and technical reports are available at [www.u3o8corp.com](http://www.u3o8corp.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

## Highlights

Having defined initial National Instrument 43-101 ("NI 43-101") uranium resources and achieved positive metallurgical results across its key projects in Colombia, Argentina and Guyana, U3O8 Corp. is advancing a sequenced strategy focused on projects with low-cost production profiles. To that end, our Laguna Salada Deposit has moved to the forefront as a potential near-term producer in Argentina, followed by the Berlin Deposit in Colombia, which will take longer to develop due to its size but could also be a very low-cost uranium producer.

Subsequent to quarter-end, U3O8 Corp. delivered a favourable preliminary economic assessment ("PEA") on its Laguna Salada uranium-vanadium deposit in Chubut Province, Argentina. The study achieved our goal of showing that Laguna Salada's cash cost would be well within the lower quartile of the uranium industry and competitive with operating costs of low-cost in-situ recovery ("ISR") projects and with high-grade deposits in the Athabasca Basin. The PEA showed that the uranium at Laguna Salada would be produced at a life-of-mine ("LOM") cash cost of US\$21.62 per pound ("lb"), net of a vanadium credit. The project has a short payback period as the shallow, flat-lying nature of the Laguna Salada Deposit allows production to start in the higher grade zones at an initial cash cost of US\$16.14/lb over the payback period. As a result, the total capital cost of US\$134 million (including start-up capital of US\$109 million plus US\$3 million in sustaining capital for the life of the mine and a US\$22 million contingency) would be paid back in 2.5 years. The project would produce an average 0.64 million pounds ("Mlb") of uranium and 0.96Mlb of vanadium annually based on the current resource over a 10-year mine life.

The PEA yielded a net present value ("NPV") of US\$55 million at a 7.5% discount with a pre-tax internal rate of return ("IRR") of 24% and post-tax IRR of 18%. U3O8 Corp. undertook the PEA before the full extent of the deposit is known in order to have independent verification that Laguna Salada could be low-cost uranium producer. As both the IRR and NPV are sensitive to deposit size, our next step is to increase the resource, which would significantly improve both of these financial measures and further enhance the project's economics. Our immediate goal is to expand the current resource into the adjoining La Susana area.

During the quarter, we spun out our Carina property in Argentina, which provides an opportunity to maximize value from this property by placing it in a company that is focused on frac sand, rather than holding it as a non-core asset in U3O8 Corp. Carina was vended out to South American Silica Corp. ("SAS"), a private investee company of U3O8 Corp. that is focused on frac sand for potential use in the production of oil and gas from shale. The sale increased U3O8 Corp's equity position in SAS to 39%. We also maintained our 7.5% net smelter royalty on frac sand production from the property. A joint venture ("JV") with a local operator is targeting frac sand production in early 2015 with the operator bearing all the costs of development and marketing of the product.

In Q2 2014, we incurred cumulative cash exploration expenditures of \$0.6 million (excluding stock-based compensation, taxes and amortization), down from \$0.8 million in Q2 2013 as work remained focused on finalizing the Laguna Salada PEA.

At June 30, 2014, we had \$0.4 million in cash and cash equivalents and guaranteed investment certificates held with major Canadian chartered banks ("total cash") (December 31, 2013 – \$0.3 million) and a working capital deficit of \$0.3 million (December 31, 2013 – working capital deficit of \$0.7 million).



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Exploration activities continue to be limited to the Argentina project until the market environment improves to enable further development of the projects in Colombia and Guyana. U3O8 Corp. is also pursuing strategic partners and investment options that could accelerate the advancement of its projects. Further financings will be required to develop our properties and to meet ongoing obligations and discharge liabilities in the normal course of business. Materially all of the Company's exploration activities are discretionary. Therefore, there is considerable flexibility in terms of the pace and timing of exploration and how expenditures have been, or may be adjusted, limited or deferred subject to current capital resources and potential to raise further funds. U3O8 Corp. will continue to manage its expenditures essential to the viability of its material properties.

## Overview

U3O8 Corp. is a Toronto-based exploration company focused on exploration and development of uranium resources and related minerals in South America. We are advancing a portfolio of NI 43-101 resources in Argentina, Colombia and Guyana. To date, the Company has not earned any revenues from its exploration activities.

### Mineral Resources

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

Project	NI 43-101 Resource	Tonnes (million)	Grade U <sub>3</sub> O <sub>8</sub>	Grade V <sub>2</sub> O <sub>5</sub>	Grade P <sub>2</sub> O <sub>5</sub>	U <sub>3</sub> O <sub>8</sub> lbs (million)	V <sub>2</sub> O <sub>5</sub> lbs (million)	P <sub>2</sub> O <sub>5</sub> tonnes (million)
Laguna Salada* (Argentina)	Indicated	47.3	60ppm	550ppm	--	6.3	57.1	--
	Inferred	20.8	85ppm	590ppm	--	3.8	26.9	--
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
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 by 11 times in the Guanaco sector of the property and by seven times in the Lago Seco sector, by scrubbing and screening. This would lead to uranium head grades of 620-670ppm U<sub>3</sub>O<sub>8</sub> typical of the mill feed grade of operating mines of similar deposits elsewhere in the world. See "Priority Exploration Projects" below.*

U3O8 Corp's technical reports are available on our web site at [www.u3o8corp.com](http://www.u3o8corp.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

### Exploration Projects

U3O8 Corp. has significant land holdings in Argentina, Colombia 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. Laguna Salada Project, a surficial uranium-vanadium deposit in Argentina;
2. Berlin Project, a uranium resource in limestone and sandstone that also contains phosphite, vanadium, nickel, rare earths and other metals, in Colombia; and
3. Kurupung Project, an albitite-hosted uranium resource in Guyana.

We also have interests in early-stage investee companies: SAS with exploration properties in Argentina and Minexco Minerals Corp. ("Minexco") with exploration properties in Guyana, that offer grassroots potential for frac sand as well as gold and iron oxide-copper-gold ("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 U3O8 Corp's MD&A for the year ended December 31, 2013, available at [www.u3o8corp.com](http://www.u3o8corp.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).



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## Outlook

U308 Corp's uranium assets in South America comprise NI 43-101 resources in Argentina, Colombia and Guyana. During these challenging commodity markets, we believe the most efficient use of cash is to position the Laguna Salada Deposit as a potential low-cost project for development in a relatively short timeframe while postponing further exploration and economic studies on the other projects. Since mineralization in the three deposits is open, there is considerable resource growth potential that can be restarted at any time. In addition, the PEAs completed on both the Colombian and Argentine deposits highlighted areas in which further test work could lead to significant reductions in capital and/or operating costs. We will return to advancing the projects at a faster pace when we see a more positive uranium market and potential financing options are less dilutive than the current options.

1. **Laguna Salada Project, Argentina** – Results of the recent PEA on the initial NI 43-101 uranium-vanadium resource shows that Laguna Salada would be in the industry's lower quartile in terms of cash cost of production with a short payback period of 2.5 years. The project's favourable economics could be significantly enhanced by increasing the resource size – and our immediate goal is to expand the current resource into the adjoining La Susana area, which has potential to increase the current resource to 20-25Mlb<sup>1</sup> of uranium. The next step towards development of the Laguna Salada Deposit is an on-site pilot plant in which beneficiation test work would be undertaken to feasibility standards. Work has already started towards an environmental impact study that is required as part of the full permitting process.
2. **Berlin Project, Colombia** – a NI 43-101 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 by-product revenues could pay for extraction of the uranium – making Berlin a potential zero cash-cost uranium producer. Scout drilling suggests that Berlin could grow to 40-50Mlb<sup>2</sup> of uranium along 6.3km of the trend. Therefore, infill drilling is expected to grow the Berlin Deposit, contributing to a larger resource that is likely to contribute favourably to the project's economics. The next step would be test work on specific metallurgical processes that, if positive, are likely to further enhance the project's economics. Subject to availability of funds, an updated PEA may be undertaken to incorporate these potential refinements to the flow sheet. Further drilling and associated potential resource expansion will be held off until market conditions improve.
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. We have put off further work on the project until equity markets improve.

At June 30, 2014, U308 Corp. had \$358,679 in total cash. Additional funds will be required to further advance our lead projects. There is no assurance that these funds can be raised upon terms acceptable to the Company or at all.

U308 Corp's performance will be tied to building on the positive PEA on the initial Laguna Salada Deposit, the outcome of improvements to the Berlin PEA, and successful exploration programs in Argentina, Colombia and Guyana. There is no guarantee that the capital costs, operating costs and cash flow modeled in the PEAs on the Berlin and Laguna Salada deposits will be achieved. There is no guarantee that exploration in Guyana will lead to the definition of an economically viable deposit. See below "Caution Regarding Forward-Looking Statements."

<sup>1</sup> 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. Based on the initial resource and exploration results of other mineralized areas, there is a conceptual uranium target of 150-225 million tonnes ("Mt") at 50ppm to 60ppm U<sub>3</sub>O<sub>8</sub> (20-25Mlb) identified in the district to date. Potential quantity and grades are conceptual in nature. There has been insufficient exploration to define a mineral resource north of the current resource. It is uncertain if further exploration will result in additional mineral resources being delineated in the region.

<sup>2</sup> 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% U<sub>3</sub>O<sub>8</sub> (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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We believe the first financial estimates on the Laguna Salada and Berlin deposits provide shareholders with a reliable and independent means of valuing these projects and the Company. It is essential to note that the early PEA on Laguna Salada is part of a transparent, stepwise process in which our first priority was to confirm lower quartile cash costs of production and, having achieved that goal through independent assessment, the second step is to increase the resource to strengthen the other economic measures such as NPV and IRR towards positioning this project for potential production. Exploration results from areas adjacent to Laguna Salada provide support that Laguna Salada forms part of a larger uranium district. Similarly, exploration results have shown that the Berlin Deposit is likely to be significantly larger than the initial resource on which the current PEA was based. This, together with optimization of specific parts of the process flow sheet, should improve the economics of Berlin that would provide additional upside potential to the value of the Company.

**Priority Exploration Projects****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 resource<sup>3</sup>. Based on this initial resource, favourable economics were achieved in a PEA that showed Laguna Salada would be a low-cost uranium producer. Our view is that the Laguna Salada Deposit could be put into production in a relatively short timeframe.

Mineralization at Laguna Salada lies in a layer that averages 0.95 metres ("m") thick located within 3m of surface in flat-topped mesas. The uranium-vanadium occurs in soft, unconsolidated sandy gravel that requires no blasting or crushing. Mining would involve continuous surface miners that cut a 30-40 centimetre layer of unconsolidated gravel with each pass along a trench. Gravel cut from the leading edge of the trench would be trucked a short distance by 50-tonne truck-trailers to mobile beneficiation units where the gravel would be scrubbed and screened with water to separate the pebbles and coarse sand from the mineralized fines. Approximately 90% of the damp gravel would be immediately returned to the trailing edge of the trench where it would be reshaped to the land's original topography and replanted with indigenous flora. This reclamation would be continuous through the mine life. After mining, there should be little evidence that mining had occurred.

The current mining law in Chubut Province does not allow open pit mining nor the use of cyanide. The continuous surface mining method defined in the Laguna Salada PEA would see no open excavation left after mining. Cyanide is also not used to process the mineralized material; therefore, the mining and processing methods contemplated for Laguna Salada are considered to be in compliance with current Chubut mining law.

Removal of the coarse material from the gravel increases the uranium and vanadium grades in the residual fine material. Uranium grades in the Guanaco sector of the deposit increase 11 times in the fine component of the gravel relative to the gravel's original in situ grade. In the Lago Seco sector of the deposit, this enrichment factor in the fine material is seven times relative to the grade of the original gravel. For uranium, this would result in a head grade (the metal-rich fines that would enter a leach circuit) of approximately 620-670ppm U<sub>3</sub>O<sub>8</sub> – similar to the mill feed grade of operating surficial uranium deposits elsewhere in the world. Approximately 90% of the gravel's uranium would be concentrated in the fine material during screening. Uranium and vanadium are extracted from the fine material by alkaline leach (in which the reagents are washing soda and baking soda) at an optimal temperature of 80°C.

<sup>3</sup> Laguna Salada Project – see note 1 on page 4.



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The Laguna Salada PEA estimates a life-of-mine ("LOM") cash cost of US\$21.62/lb of uranium, net of a vanadium credit. This puts Laguna Salada in the industry's lower quartile of uranium cash costs and is competitive with operating costs of uranium deposits in the Athabasca Basin and in ISR operations. The project has a short payback period as the shallow, flat-lying nature of the Laguna Salada Deposit allows production to start in the higher grade zones for an initial cash cost of US\$16.14/lb over the payback period. This approach would see total capital costs of US\$134 million (including US\$22 million in a 20% contingency and US\$3 million of sustaining capital for the life of the mine) paid off in 2.5 years. The economic model yielded a NPV of US\$55 million at a 7.5% discount with a pre-tax IRR of 24% and post-tax IRR of 18%. As the PEA was undertaken before the full extent of the deposit is known, the project's economics could be further enhanced by increasing the resource size – and our immediate goal is to expand the current resource into the adjoining La Susana area.

The PEA positions Laguna Salada for further advancement as Argentina seeks local uranium supply to reduce its reliance on imported fuel for its expanding nuclear reactor fleet. As one of the most advanced uranium projects in Argentina, Laguna Salada is well placed to benefit from the country's plans to double its nuclear capacity to provide approximately 18% of Argentina's electricity requirement by 2025. Argentina's third reactor went online in Q2 2014 and deals were signed in July 2014 with Russia and China on a 4<sup>th</sup> reactor while a 5<sup>th</sup> is planned – offering a ready market for domestic uranium. In addition, nuclear co-operation agreements with China, South Korea, India, Russia, Brazil, the UAE and Saudi Arabia open export markets for Argentine uranium.

### 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 estimate<sup>4</sup> of 38Mlb U<sub>3</sub>O<sub>8</sub> 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 1,400m, well below the Páramo 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 facility lies 12km from the project and would augment the power generated by Berlin's own production plant. A principal highway, a major river that is navigable by barge to the Caribbean Sea and a railway line that the Government has reportedly prioritized for refurbishment, lie 60km east of the project.

U3O8 Corp. undertook an intensive exploration program to delineate a maiden NI 43-101 resource of uranium, phosphate, vanadium, rare earths and other commodities on the southern 3km of the Berlin trend<sup>5</sup>. 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 25-30Mlb<sup>5</sup> 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.

In addition, U3O8 Corp. achieved positive metal recoveries in extensive metallurgical test work conducted by two 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 and our results have been derived from 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 2013 Berlin PEA.

<sup>4</sup> Berlin Project – A historic resource (not in accordance with NI 43-101) of 12.9Mt at 0.13% U<sub>3</sub>O<sub>8</sub> (38Mlb) was reported in Castano, R. (1981), *Calcul provisoire des réserves géologiques de Berlin, sur la base des résultats 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 2 on page 4.

<sup>5</sup> Berlin Deposit – See note 2 on page 4.



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U3O8 Corp. achieved a key milestone in reporting a positive PEA on its Berlin Deposit, which showed that the uranium could be produced at \$0/lb due 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 net present value ("NPV") of US\$338 million (at a 7.5% discount rate) 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 trend. Higher returns should be generated by the inclusion of metallurgical test results that indicate that some changes to the existing flow sheet would reduce operating costs. In addition, an increase in the resource size through further exploration drilling is likely to result in economies of scale that should further reduce operating costs. The economic model identifies specific areas in which limited additional metallurgical test work should confirm means of increasing revenue and lowering operating costs in order to achieve higher margins to further enhance the project's economics.

### 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<sub>3</sub>O<sub>8</sub>, contained in multiple structures<sup>6</sup>. The NI 43-101 uranium resource on the Kurupung<sup>7</sup> 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 work on hard-rock from the Kurupung. Further exploration and metallurgical testing has been deferred until the financial markets improve.

### Grassroots Exploration

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

South American Silica Corp. ("SAS") – 39% owned by U3O8 Corp.

SAS is focused on the identification of frac sand deposits in South America, principally within trucking distance of the massive Vaca Muerta hydrocarbon-bearing shale formation of the Neuquen basin in Argentina. Through a JV with a local operator, its Carina Property in Argentina is being advanced towards potential near-term production at no cost to SAS.

<sup>6</sup> 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.

<sup>7</sup> 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 U308 Corp.<sup>8</sup>

The interest in Minexco provides U308 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. Funded by Minexco, reconnaissance work was carried out by a unit of U308 Corp's non-core Guyana team on a contract basis for Minexco. Exploration in this JV has been temporarily suspended.

## Technical Disclosure

Dr. Richard Spencer, President and Chief Executive Officer ("CEO") of the Company, is a "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 IFRS.

Three Months Ended (*)	Net Loss (\$)	Basic and Diluted Loss Per Share (\$)
2014-June 30	(606,328)	(0.00)
2014-March 31	(893,568)	(0.01)
2013-December 31	(1,103,475)	(0.01)
2013-September 30	(1,825,988)	(0.01)
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)

(\*) U308 Corp. did not have any income (loss) before discontinued operations or extraordinary items for each period presented.

U308 Corp. is an advanced exploration company focused on defining mineral resources, establishing the economic viability of these deposits, 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 ability to raise capital to advance projects. We expense our exploration costs. Having undertaken PEAs that confirm the low cash cost of production of the Laguna Salada and Berlin deposits, further exploration has been minimized to conserve cash. Lower spending relative to the prior year periods reflected the completion of extensive drill programs and the focus on completion of a positive PEA on the initial Berlin Deposit in Colombia in Q1 2013. A similar approach was taken in Argentina where exploration was minimized and the focus was on metallurgical test work and finalizing the PEA, which results were reported post Q2 2014 showing that the Argentine deposit could be a low-cost, near-term uranium producer. Legal fees associated with extensive and ongoing negotiations with Chubut Province's resource company, Petrominera, in regard to a JV on an enlarged Laguna Salada exploration area, and the spinout of the Carina frac sand property contributed to higher legal costs in Q2 2014 compared with Q1 2014. Q1 2014 also reflected a deferred income tax recovery from expired warrants in that quarter. As market conditions remained uncertain, further reductions in spending in Q2 2014 compared with the same 2013 quarter continued to reflect ongoing cost containment initiatives towards limiting exploration expenditures while ensuring cash was efficiently deployed on our priority project in Argentina.

<sup>8</sup> Minexco – Currently, U308 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, 2014

For Q2 2014, U308 Corp's net loss decreased to \$606,328 or \$0.00 loss per share (Q2 2013 – net loss of \$2,687,589 or \$0.02 loss per share). For the six months ended June 30, 2013, net loss declined to \$1,499,896 or \$0.01 loss per share (2H 2013 – net loss of \$4,503,511 or \$0.03 loss per share). The decrease in net losses in both Q2 and 2014 year-to-date compared to the same prior year periods were principally due to the focus on a PEA on the Argentine deposit so as to reach a critical milestone on this project while continuing to defer exploration activities in Colombia and Guyana and conserving cash until equity markets improve.

Colombia cash exploration expenses decreased by \$66,763 to \$177,617 in Q2 2014 and declined by \$539,502 to \$305,059 for the 1H 2014 compared with the same prior year periods (Q2 2013 – \$244,380; 1H 2013 – \$844,561, excluding stock-based compensation, severance, taxes, amortization and one-time retrenchment costs of \$127,370 in Q2 2013 and \$184,754 1H 2013). These declines reflected completion of the Berlin PEA during Q1 2013 while further exploration continued to be on hold given ongoing uncertainty in the markets.

Argentina cash exploration expenses increased by \$104,497 to \$455,862 in Q2 2014 and increased by \$49,361 to \$696,675 in the first half of 2014 compared with the same 2013 periods (Q2 2013 – \$351,365; and 1H 2013 – \$647,314, excluding stock-based compensation, amortization and one-time retrenchment costs of \$148,472 in Q2 2013) due to additional test work to enhance the efficiency of an aspect of the beneficiation process towards completing the Laguna Salada PEA.

In Guyana, cash exploration expenses (excluding stock-based compensation, amortization and one-time retrenchment costs of \$12,228 in Q2 2014 and of \$19,624 in Q2 2013) were down considerably by \$163,035 to \$77,142 in Q2 2014 and decreased by \$385,893 to \$122,212 on a year-to-date basis (Q2 2013 – \$240,177; 1H 2013 – \$508,105) as exploration was put on hold to conserve cash.

A breakdown of exploration expenditures on U308 Corp's lead projects in Colombia, Argentina and Guyana for the six months ended June 30, 2014 and 2013 are set forth below:

Six Months Ended June 30, 2014	Berlin Project Colombia	Laguna Salada Project Argentina	Kurupung Project Guyana	Total
Administrative expense	\$ 132,638	\$ 123,253	\$ 30,951	\$ 286,842
Salaries and benefits	81,538	167,592	33,805	282,935
<b>Total location costs</b>	<b>214,176</b>	<b>290,845</b>	<b>64,756</b>	<b>569,777</b>
<b>Total field costs</b>	<b>90,883</b>	<b>405,830</b>	<b>33,000</b>	<b>529,713</b>
Severance	-	-	12,228	12,228
Stock-based compensation	4,156	232	805	5,193
Amortization	45,207	34,620	43,742	123,569
<b>Total</b>	<b>\$ 354,422</b>	<b>\$ 731,527</b>	<b>\$ 154,531</b>	<b>\$ 1,240,480</b>

Six Months Ended June 30, 2013	Berlin Project Colombia	Laguna Salada Project Argentina	Kurupung Project Guyana	Total
Administrative expense	\$ 261,797	\$ 220,237	\$ 70,156	\$ 552,190
Salaries and benefits	503,248	161,031	198,983	863,262
<b>Total location costs</b>	<b>765,045</b>	<b>381,268</b>	<b>269,139</b>	<b>1,415,452</b>
<b>Total field costs</b>	<b>290,362</b>	<b>265,776</b>	<b>238,966</b>	<b>795,104</b>
Severance	184,754	148,472	19,624	352,850
Stock-based compensation	64,068	32,989	20,654	117,711
Amortization	64,768	43,456	64,678	172,902
<b>Total</b>	<b>\$ 1,368,997</b>	<b>\$ 871,961</b>	<b>\$ 613,061</b>	<b>\$ 2,854,019</b>

General and administrative ("G&A") expenses rose to \$619,455 in Q2 2014 and to \$1,283,567 year-to-date (Q2 2013 – \$531,330; 1H 2013 – \$1,068,088) mainly due to higher professional fees related to extensive and ongoing negotiations with the provincial resource company in Chubut Province, Argentina, on a JV related to a larger Laguna Salada project area and also with the Carina property being spun out to a frac sand focused investee company in order to maximize the value of this non-core asset. In addition, a non-cash charge was made on administration expenses related to receivable and prepaid items deemed not recoverable.

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Three and Six Months Ended June 30, 2014

A foreign exchange gain of \$36,380 in Q2 2014 and loss of \$33,509 in the first half of 2014 (Q2 2013 – loss of \$92,053; 1H 2013 – loss of \$94,549) were due mostly to Argentine peso and US Dollar exchange rate fluctuations. Interest income increased to \$49,891 in Q2 2014 and to \$53,140 year-to-date (Q2 2013 – \$15,046; 1H 2013 – \$24,706) reflected financings in the 2014 periods relative to timing of when invested funds were depleted for exploration expenditures and operating costs compared to the prior year.

In Q2 2014, a gain of \$760,000 on transfer of the Carina frac sand concessions to SAS reflected the valuation of the SAS shares received as consideration by the Company. From our 38.9% equity share of SAS, we reported a \$71,842 loss in Q2 2014 and 2014 year-to-date (Q2 2013 – loss of \$22,000; 1H 2013 – loss of \$51,000). The increase in 2014 compared with the prior year periods resulted from greater activities as SAS began reconnaissance exploration on other potential frac sand targets.

In the first half of 2014 and 2013, deferred income tax recoveries of \$316,362 and \$804,077 respectively resulted from expired warrants in Q1 2014 and Q1 2013. The Q1 2013 recovery was offset by a \$1,264,368 unrealized loss on our investment in Pinetree Capital Ltd. ("Pinetree") (TSX: PNP).

## 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, green technology and agriculture. 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.

At June 30, 2014, total cash was \$358,679 (December 31, 2013 – \$328,703) and there was a working capital deficit of \$295,121 (December 31, 2013 – working capital deficit of \$719,300). During Q2 2014, U3O8 Corp. raised aggregate gross proceeds of \$929,000 through three private placements, which funds were mainly focused on the Laguna Salada PEA while fulfilling key commitments on projects and contributed to a reduction in payables.

On April 25, 2014, the issuance of 2,650,000 units at \$0.14 per unit raised gross proceeds of \$371,000. Each unit comprised one common share and one warrant, which is exercisable into an additional common share at \$0.22 per share until April 25, 2016. On May 29, 2014, gross proceeds of \$270,000 were raised on the issuance of 3,000,000 units at \$0.09. Each unit comprised one common share and one warrant, which is exercisable into an additional common share at \$0.14 per share until May 29, 2016. On Jun 18, 2014, gross proceeds of \$288,000 were raised on the issuance of 3,600,000 units at \$0.08. Each unit comprised one common share and one warrant, which is exercisable into an additional common share at \$0.13 per share until June 18, 2016.

At Q2 2014, accounts payable and accrued liabilities were \$902,376 (December 31, 2013 – \$1,345,896) as activities continued to be limited mainly on the priority project in Argentina. In addition, approximately \$233,000 has been accrued for partial salaries deferred by three executives in the Company's efforts to conserve cash.

As of the date of this MD&A, U3O8 Corp. had issued and outstanding 190,957,777 common shares, 38,247,709 warrants and 11,145,000 stock options. The full exercise of all warrants and options could raise approximately \$11 million. Exercise of these warrants and options is not anticipated until the market value of U3O8 Corp's common shares increases in value.

Since its 2013 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.

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.

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## Management's Discussion &amp; Analysis

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At June 30, 2014, U3O8 Corp. had \$358,679 in total cash. Further financings will be required to develop the Company's properties, to meet ongoing obligations and discharge its liabilities in the normal course of business. Materially all of the Company's exploration activities are discretionary. Therefore, there is considerable flexibility in terms of the pace and timing of exploration and how expenditures have been, or may be, adjusted, limited or deferred subject to current capital resources and potential to raise further funds. The Company will continue to manage its expenditures essential to the viability of its material properties. **However, U3O8 Corp. will require additional funds from equity sources to maintain momentum on its lead projects and to complete the development of our projects in Argentina, Colombia and Guyana, if warranted. The Company is currently pursuing multiple near-term and longer-term financing options. There is no assurance that these funds can be raised upon terms acceptable to the Company or at all and funding for junior exploration companies remains challenging. 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.**

### 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	
	2014	2013	2014	2013
John Ross <sup>(i)</sup>	\$ 15,000	\$ 15,000	\$ 30,000	\$ 30,000

- (i) Fees paid to U3O8 Corp's Chief Financial Officer ("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	
	2014	2013	2014	2013
Salaries and benefits <sup>(i)</sup>	\$ 84,934	\$ 84,934	\$ 169,868	\$ 169,868
Stock-based compensation	\$ 51,264	\$ 52,717	\$ 99,377	\$ 77,729
<b>Total</b>	<b>\$ 136,198</b>	<b>\$ 137,651</b>	<b>\$ 269,245</b>	<b>\$ 247,597</b>

- (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. As of June 30, 2014, directors of the Company were owed \$44,000 (December 31, 2013 - \$44,000). In addition, the CEO of the Company was owed \$89,157 (December 31, 2013 - \$57,690).
- (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.
- In addition, on January 23, 2014 and February 24, 2014, the Company completed two non-brokered private placements for gross proceeds of \$1,240,200, where 910,257 units were purchased for an aggregate cash total of \$115,000 by Pinetree.
- (d) On March 1, 2014, the Company entered into a management services agreement with SAS whereby SAS will pay the Company a monthly fee of \$7,000 for shared office facilities and employee costs. As of June 30, 2014, the Company was owed \$281 (December 31, 2014 - \$nil) from SAS and this amount was included in amounts receivable and other assets.

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Three and Six Months Ended June 30, 2014

- (d) As of June 30, 2014, Sheldon Inwentash owned 5,036,786 common shares of U3O8 Corp. (~3% of shares outstanding). Mr. Inwentash has control or direction over Pinetree, which owned 27,085,028 shares (~14% of shares outstanding). In addition, 16,925,037 common shares of U3O8 Corp. (~9% of shares outstanding) were held by Keith Barron, a director of the Company. The 74% of the remaining shares is widely held, except for 2,105,089 shares held by the other directors and officers of the Company. These holdings can change at any time at the discretion of the owner.

**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, 2014, 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, 2013, 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, 2014 could result in restatement of these condensed interim financial statements.

IAS 32 – Financial Instruments: Presentation (“IAS 32”) is effective for annual periods beginning on or after January 1, 2014. IAS 32 was amended to clarify that the right to offset must be available on the current date and cannot be contingent on a future date. At January 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 and will replace IAS 39 - Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 will be effective for annual periods beginning on or after January 1, 2018. The Company is in the process of assessing the impact of this pronouncement.

**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, 2014, totalled \$13,079,165 (December 31, 2013 – \$12,754,825).

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 the period.

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Management's Discussion &amp; Analysis

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**Internal Controls over Financial Reporting and Disclosure Controls and Procedures**

During the six months ended June 30, 2014, there were no significant changes in the Company's internal controls over financial reporting and disclosure controls and procedures subsequent to the date the CEO and CFO evaluated such internal controls as of December 31, 2013, 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.

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 6, 2014, U3O8 Corp. had 190,957,777 issued and outstanding common shares, 38,247,709 warrants and 11,145,000 stock options outstanding, each exercisable to acquire one common share, for 240,350,486 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 described below, which have affected, and which in the future are reasonably expected to affect, the Company, its financial position or the trading price of its common shares. Refer to the section entitled "Risk Factors" in the Company's MD&A for the year ended December 31, 2013 on U3O8 Corp's web site at [www.u3o8corp.com](http://www.u3o8corp.com) and on SEDAR at [www.sedar.com](http://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.

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

Three and Six Months Ended June 30, 2014

<b>Forward-Looking Statements</b>	<b>Assumptions</b>	<b>Risk Factors</b>
Potential of U3O8 Corp's properties to contain economic deposits, to become near-term and/or low-cost producers and to add to its existing resource base (including the potential of the Berlin Project to generate US\$2.8 billion in revenue) (see above Highlights, Overview, Outlook, Summary of Quarterly Results, Priority Exploration Projects and Results of Operations)	<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 and the technical report and PEA on the Laguna Salada Project 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. 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>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 and the technical report and PEA on the Laguna Salada Project.</p> <p>Inability to replicate laboratory and other smaller scale test results on a larger scale.</p> <p>Inability to attract and retain skilled staff.</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>Delays in obtaining applicable permits or unavailability of permits.</p> <p>Price volatility of uranium and related commodities impacting the economics of our projects.</p> <p>Changes in Argentina's proposed usage and availability of nuclear power.</p>
Potential to increase uranium grades by seven and 11 times in the two different sectors of the Laguna Salada Deposit by screening (see above Overview and Priority Exploration Projects)	<p>Results from previous small scale metallurgical test work can be replicated on a larger scale.</p>	<p>Inability to replicate laboratory and other smaller scale test results on a larger scale.</p>
Uranium and suite of other commodities of economic interest at Berlin can be extracted using a ferric iron leach method (see above 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 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 Highlights, Overview, Outlook 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 U3O8 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> <p>Delays in obtaining applicable permits or unavailability of permits.</p>

**U308 CORP.****Management's Discussion & Analysis****Three and Six Months Ended June 30, 2014**

<b>Forward-Looking Statements</b>	<b>Assumptions</b>	<b>Risk Factors</b>
Potential for higher returns than as set out in the Berlin and Laguna Salada PEAs (see above Highlights, Outlook and Priority Exploration Projects)	<p>Incorporating results from further metallurgical test work will contribute to reducing operating costs and increasing revenue.</p> <p>Economies of scale will be realized as anticipated.</p> <p>Increases in resource estimates.</p>	<p>Possibility of incorporating metallurgical test results will not have the effect of reducing operating costs and increasing revenue.</p> <p>Inability to achieve economies of scale and increase resource estimates.</p>
Prospects of the Carina property entering production (see above Highlights and Priority Exploration Projects)	Production timeline and potential will be realized as anticipated.	Delays in establishing operations and inability to achieve production.
Potential to expand the NI 43-101 resources on U308 Corp's existing projects and achieve its growth targets (see above 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 U308 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>Inability to attract and retain skilled staff.</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>Delays in obtaining applicable permits or unavailability of permits.</p> <p>Price volatility of uranium and other associated commodities impacting the economics of our projects.</p>
Ability to meet working capital needs (see above 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 U308 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 and liquidity 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 and costs.</p> <p>Price volatility of uranium and other commodities impacting sentiment for investment in the resource markets.</p>

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

Three and Six Months Ended June 30, 2014

<b>Forward-Looking Statements</b>	<b>Assumptions</b>	<b>Risk Factors</b>
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 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, economic studies and development activities will not be consistent with our expectations.</p> <p>Inability to attract and retain skilled staff.</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>Delays in obtaining applicable permits or unavailability of permits.</p> <p>Price volatility of uranium and other commodities impacting our projects' economics</p>
Management's outlook regarding future trends (see above 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>Prices for uranium and other commodities will be favourable to U3O8 Corp.</p> <p>Government regulation in Chubut Province will support development of our Argentine deposit.</p> <p>Fundamentals of the uranium market continue to be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>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.</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 economic, political and industry market climate.</p>

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, 2013, is available on SEDAR at [www.sedar.com](http://www.sedar.com).