

Press Release

U3O8 Corp. completes acquisition of Mega Uranium's South American assets

To create a dominant South American-focused uranium exploration company

TORONTO, Ontario – April 8, 2010 – U3O8 Corp. (TSX Venture: UWE) and Mega Uranium Ltd. (TSX: MGA) (“Mega”) are pleased to announce the closing of U3O8 Corp’s acquisition of Mega’s South American uranium properties as previously detailed in the press release dated February 17, 2010. The acquisition creates a well funded, premier South American-focused exploration company with one of the most advanced uranium portfolios on that continent, comprising National Instrument 43-101 (“NI 43-101”) compliant resources, historic resources and near-resource potential in an environment of accelerating demand for uranium.

Under the terms of the acquisition, U3O8 Corp. has issued 30,564,858 common shares of U3O8 Corp. (the “U3O8 Shares”) in exchange for Mega’s South American properties and \$4 million in cash. Mega will distribute the U3O8 Shares to its Canadian shareholders, on a pro-rata basis, as a dividend-in-kind paid on Mega’s common shares (the “Dividend”), providing Mega shareholders with direct ownership in U3O8 Corp. Non-resident shareholders will receive cash proceeds in lieu of U3O8 Shares. Mega will advise its shareholders of the record date and payment date of the Dividend. As a result of the acquisition, U3O8 Corp. presently has 53,622,558 common shares outstanding and a strengthened balance sheet with a total of more than \$7 million in cash.

With the acquisition complete, U3O8 Corp. will focus primarily on the three most advanced projects with the potential to add NI 43-101 resources in the short-term, which are:

- **Kurupung Project, Guyana:** Ongoing scout drilling aims to identify additional mineralized areas to demonstrate the size potential of the Kurupung Project. Resource drilling on new mineralized areas will then be undertaken to potentially add to the existing NI 43-101 resource. Geologically similar albitite-hosted deposits elsewhere in the world typically contain resources in the 50 to 130 million pound U₃O₈ range;
- **Berlin Project, Colombia:** Trenching and drilling will aim to verify the grade and width of mineralization reported in the historical uranium resource¹ of 12.9 million tonnes at a grade of 0.13% U₃O₈ (38 million pounds U₃O₈), which also indicated significant grades of vanadium, molybdenum and phosphate; and
- **Laguna Salada Project, Argentina:** The aim is to complete a NI 43-101 resource estimate by the end of 2010 on this project, which hosts uranium mineralization that lies within three metres from surface in unconsolidated sandy gravel.

It is uncertain if further exploration will define a mineral resource of significant size in the Kurupung Project. Potential quantity and grade is conceptual in nature. To date, there has been insufficient exploration to define a mineral resource in either the Berlin Project or the Laguna Salada Project, and it is uncertain if further exploration will result in a mineral resource being defined in either of these projects.

In connection with the acquisition, the size of U3O8 Corp's board of directors was increased by one to six directors. Patrick Anderson and Richard Spencer resigned as directors of U3O8 Corp. The company expresses sincere thanks to Mr. Anderson for the valued contribution he has made as a co-founder and director of U3O8 Corp., and to Dr. Spencer for his service as a director, who continues to lead U3O8 Corp. as its President and CEO. U3O8 Corp's board of directors now comprises Sheldon Inwentash, Stewart Taylor and Richard Patricio (each nominees of Mega) and Keith Barron, Bryan Coates and David Constable (the remaining existing directors of U3O8 Corp.). U3O8 Corp's current management team will be joined by Phillip Williams (Vice President, Business Development) and Dr. Hugo Bastias (Vice President, Exploration in Argentina/Colombia).

(1) *The Berlin resource estimate is historical and is reported in Castano, R. (1981), Calcul provisoire des reserves geologiques de Berlin, sur la base des resultants des sondages, unpublished Minatome report, 15p. Recent independent verification of the historical data has not been performed and sufficient exploration work has not been completed to verify the historic estimate. Neither Mega nor U3O8 Corp. is treating the historical estimate as current mineral resources and it should not be relied upon. As the 38 million pound U₃O₈ estimated is based only on 11 widely-spaced drill holes, it is regarded by Mega and U3O8 Corp. as merely an indication of the magnitude of the uranium resource potential of the southernmost five kilometre long portion of the syncline containing the Berlin uranium mineralization.*

About U3O8 Corp.

With the acquisition complete, U3O8 Corp. is a Toronto-based exploration company, focused on uranium exploration in South America – a promising new frontier for uranium exploration and development. U3O8 Corp. has one of the most advanced portfolios of uranium projects in the region, from NI 43-101 compliant resources in Guyana, to significant historic resources in Colombia and near-resource and discovery potential in Argentina.

Further information on U3O8 Corp. is available on the company's web site at www.u3o8corp.com.

Forward-Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of U3O8 Corp., including, but not limited to, the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with the uncertainty of exploration results and estimates and that the resource potential will be achieved on exploration projects, currency fluctuations, dependence upon regulatory approvals, and the uncertainty of obtaining additional financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. All scientific and technical information contained in this press release has been prepared under the supervision of Richard Spencer, President and CEO of U3O8 Corp., pertaining to U3O8 Corp's mineral properties, and Stewart Taylor, President of Mega, pertaining to Mega's mineral properties. Richard Spencer and Stewart Taylor are qualified persons within the meaning of NI 43-101.

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