The **Uranium** Discovery Company

U3O8 CORP

8 King Street East
Suite 710
Toronto, ON M5C 1B5
Canada

T 416.868.1491
F 416.868.1497
www.u3o8corp.com
TSX-V: UWE

Press Release

U3O8 Corp. intersects 36.5 metres at 0.09% (1.8 pounds per short ton) U_3O_8 in a new target in the Kurupung Project, Guyana

Scout drilling showing that the Kurupung could host a potentially large uranium resource

Toronto, Ontario – July 14, 2010 – **U3O8 Corp. (TSX Venture: UWE)**, a Canadian-based company focused on uranium exploration and resource expansion in South America, reports the discovery of a ninth uranium-bearing structure, the Aricheng C target, in the Kurupung Batholith in Guyana (Figure 1). Assay results from the scout drilling suggest that the Kurupung structures identified to date may contain a conceptual target of 10-15 million tonnes at a grade of 0.08% to 0.10% U_3O_8 (for an estimated 20-25 million pounds U_3O_8) including the initial National Instrument 43-101 ("NI 43-101") resource estimate of 5.8 million pounds U_3O_8 Indicated and 1.3 million pounds U_3O_8 Inferred[1].

"The discovery of Aricheng C marks a break-through in the exploration of the uranium-bearing fault system in the Kurupung," said Dr. Richard Spencer, U3O8 Corp's President and CEO. "We knew that uranium occurred within faults that could be identified through geophysics, but with Aricheng C, we now know which parts of the fault system are more likely to contain greater uranium content. Given the efficiency and success of our geophysical targeting, the scout drilling required to test those targets has been extended to December 2010 with the aim of further increasing the potential size of the Kurupung uranium district. We have drilled only a small part of the extensive fault network in the Kurupung and we believe that further drilling will add to our inventory of mineralized structures poised for resource estimation."

Uranium in the Kurupung Batholith is geologically similar to albitite-hosted deposits worldwide that typically host resources in the 50-130 million pound range, contained within multiple structures[2].

Table 1 – Assay Results for Aricheng C

Summary of significantly mineralized intercepts cut in the four bore holes (1,017 metres) drilled at Aricheng C. Aricheng C, along with the Aricheng North and Aricheng A structures, comprise the Aricheng North Complex.

Bore Hole Number	Intercept				Grade	
	From (m)	To (m)	Interval (m)	Estimated True Thickness (m)	U_3O_8 (%)	U_3O_8 (lbs/st)
ARC-001	46.0	50.0	4.0	3.4	0.109	2.2
	57.0	64.0	7.0	5.9	0.092	1.8
	70.0	78.0	8.0	6.8	0.078	1.6
	129.0	135.0	6.0	5.1	0.040	0.8
	142.0	155.0	13.0	11.0	0.098	2.0
	212.0	214.0	2.0	1.7	0.062	1.2
ARC-002	140.0	145.0	5.0	4.2	0.059	1.2
	174.0	179.0	5.0	4.2	0.097	1.9
	216.0	217.0	1.0	0.8	0.118	2.4
ARC-003	203.0	212.0	9.0	7.6	0.128	2.6
	258.0	286.0	28.0	23.7	0.099	2.0
Including	259.0	270.0	11.0	9.3	0.137	2.7
Including	281.0	286.0	5.0	4.2	0.131	2.6
ARC-004	58.0	64.0	6.0	5.1	0.111	2.2
	79.0	83.0	4.0	3.4	0.069	1.4
	109.0	152.0	43.0	36.5	0.092	1.8
	179.0	182.0	3.0	2.5	0.110	2.2
	211.0	219.0	8.0	6.8	0.055	1.1

Note: *lbs/st is an abbreviation for pounds per short ton. 1 short ton = 2,000lbs or 0.907 metric tonnes.*

Aricheng C Structure

The Aricheng C structure is orientated east-west and dips about 70° to the north. The structure is marked by a corridor of relatively low magnetism that extends eastwards from the area in which the four bore holes were drilled (Figure 2). Mineralization at Aricheng C extends 150 metres along strike and is open along trend and at depth (Figure 3). Vestiges of uranium mineralization occur in the saprolite at surface and the deepest intercept is approximately 220 metres below surface.

Mineralization at Aricheng C is typical of the Kurupung uranium district, occurring within brecciated and sheared rocks that form structural corridors within the homogeneous batholith. Mineralization is associated with an alteration assemblage of albite, chlorite, hematite and calcite.

Structural Networks in the Kurupung

Uranium in the Aricheng Area of the Kurupung Batholith is contained within structural networks in which east-trending faults link into northeast-striking shear zones. In the Aricheng North Complex, the Aricheng North and Aricheng A structures are both northeast-striking shear zones while Aricheng C lies within an east-west orientated fault that links into the Aricheng A structure (Figure 4A). The Aricheng West Complex has a similar geometry in which Aricheng Alpha constitutes the northeast-trending shear zone adjacent to the east-trending Aricheng West and Aricheng South faults (Figure 4B). Drilling to date shows the east-west orientated structures are more consistently mineralized over a wider interval than the northeast-trending shear zones. Further scout drilling will focus on east-striking structures identified from the geophysical data.

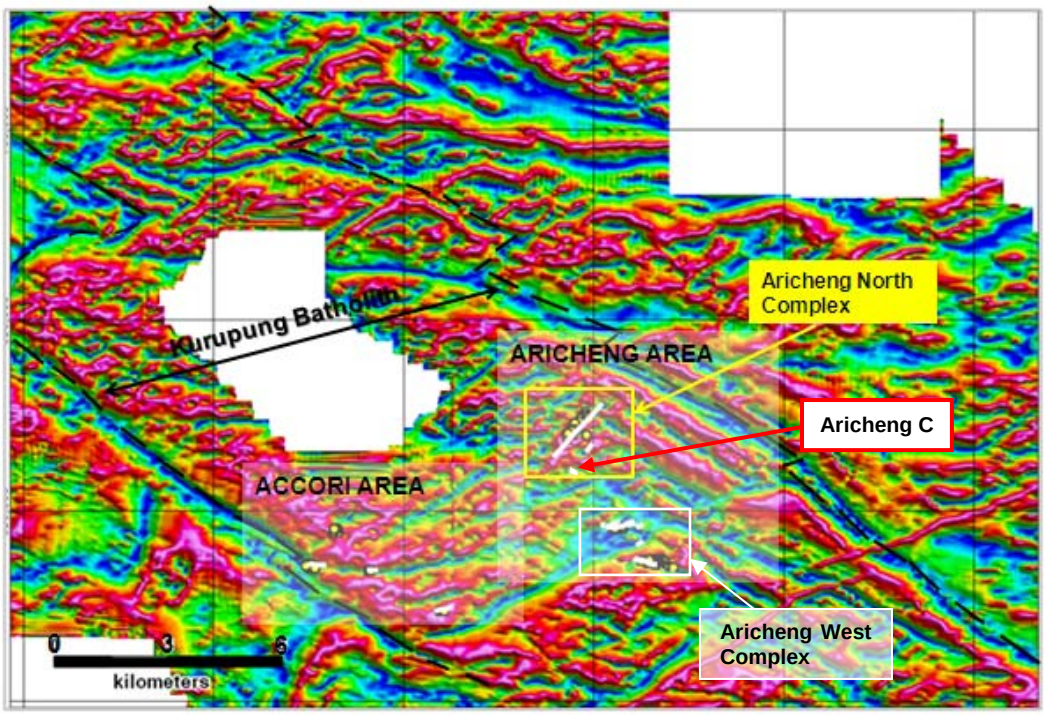
Potential quantity and grade are based on drill results that define the approximate length, thickness, depth and grade of the target areas, but are considered conceptual in nature. To date, there has been insufficient exploration drilling to define a mineral resource on the Aricheng C structure reported in this press release, and it is uncertain if further exploration drilling will result in a mineral resource being defined in this area.

Quality Assurance & Quality Control

Diamond drilling at Aricheng C was undertaken with U3O8 Corp's own drill rig that produced NQ (nominal 47.6 millimetre diameter) core. A down-hole spectral gamma probe was used in the four bore holes reported on here to determine the extent of the mineralized intervals by providing an estimate of the uranium grade based on the radioactivity measured. Core from each mineralized interval was halved with a diamond saw on-site and half core samples were delivered to ACME Laboratory's preparation facility in Georgetown, Guyana. Sample blanks and certified standards were inserted at an average frequency of one per 25 samples. Sample pulps were then shipped by ACME to their analytical facility in Vancouver, BC, Canada, for analysis for uranium by ICP-MS after hot, four-acid digestion. The other half of the core was logged and is stored on-site, providing a complete record of the geology and mineralized zones drilled.

Mr. Richard Cleath (M.Sc.), Vice President of U3O8 Corp., a Qualified Person within the definition of that term in NI 43-101 of the Canadian Securities Administrators, had overall responsibility for all aspects of target selection and drilling of the Aricheng C target. Mr. Cleath has supervised the preparation of, and verified, the technical information in this release.

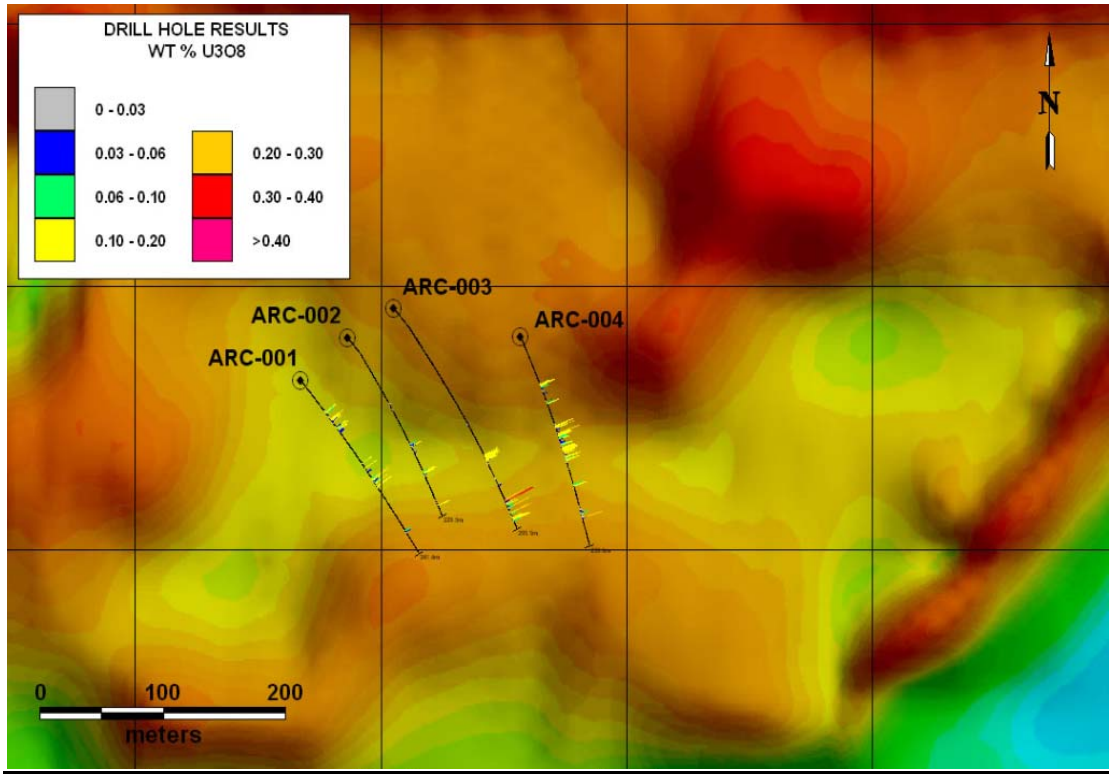
Figure 1 – Clusters of Multiple Uranium-Bearing Structures in the Kurupung Batholith



Map of airborne magnetic data from the Kurupung area. The Kurupung Batholith lies between northwest trending bounding shear zones (black dashed lines). Cool colours represent rocks with little magnetism while warm colours represent magnetic rocks. Most uranium found by U3O8 Corp. to date lies within demagnetized faults (cool coloured areas).

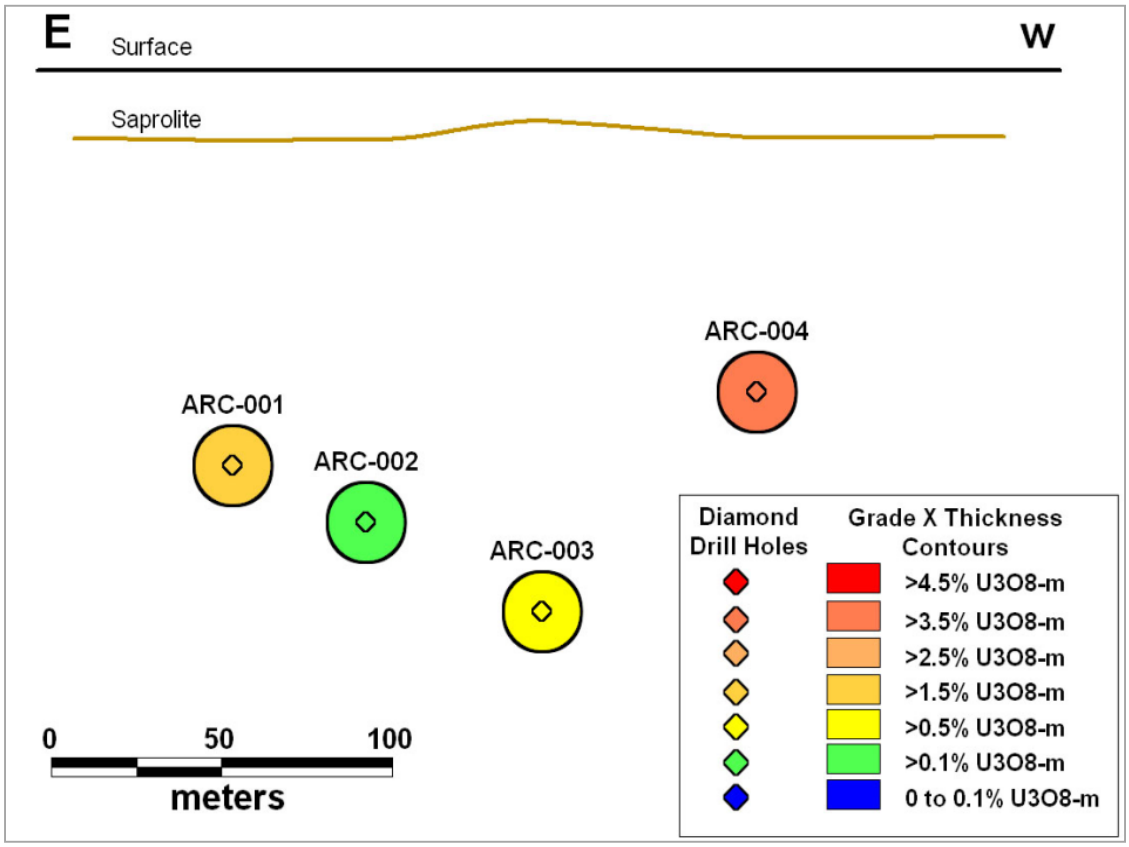
The location of the Aricheng North (labelled in yellow) and Aricheng West (labelled in white) structural complexes discussed in this press release are shown relative to the airborne magnetics. White irregular areas show the footprint of uranium mineralization drilled by U3O8 Corp. The mineralized zone at Aricheng C (labelled in red and whose assay results are reported in this press release) is part of the Aricheng North Complex.

Figure 2 – Drill Hole Locations at Aricheng C



Plan view of the location of the four bore holes drilled in the scout drilling program on the Aricheng C structure for which results are reported in this press release. The collar position of each hole is shown as a dot and the extent of each inclined hole is shown as a black line. U_3O_8 grade (%) is shown as a histogram along the trace of the bore hole. The coloured background is ground magnetic data (cool colours – green and yellow – represent the least magnetic areas while warm colours – orange and red – mark areas of more intense magnetism).

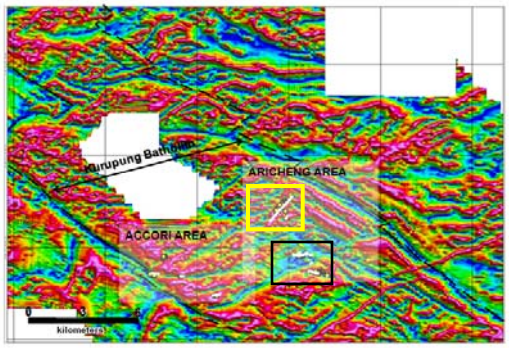
Figure 3 – Long Section of Aricheng C



A provisional long section of the Aricheng C structure shows the distribution of grade-thickness values (the product of the width of the mineralized interval and its U_3O_8 grade in %) on a vertical projection of the structure. A pierce point is the approximate location at which each bore hole intersects the mineralization.

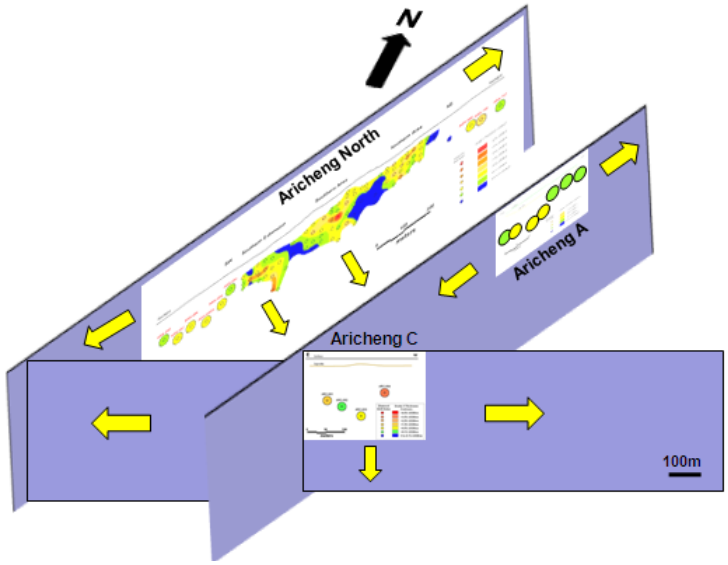
Figure 4 – Structural Network in the Aricheng Area

Airborne Magnetic Map of the Kurupung



Inset map shows the extent of the Kurupung structural system and the location of weakly magnetic zones in cool colours (blue and green). The linear blue-green zones correspond with demagnetized structural corridors.

4A. Aricheng North Complex

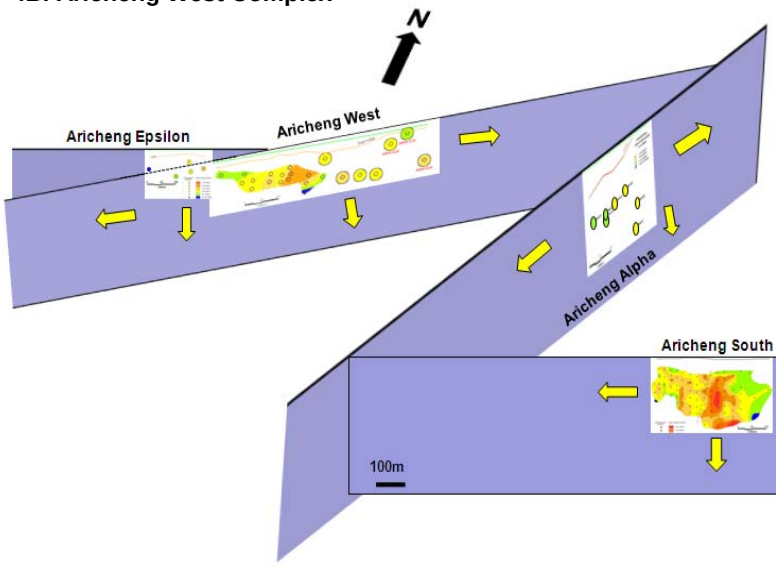


4A. The Aricheng North Complex consists of two northeast-trending shear zones and an east-trending fault. The northeast-trending shear zones contain uranium in the Aricheng North and Aricheng A areas and mineralization at Aricheng C (assay results reported in this press release) is located within the east-trending fault.

Three-dimensional perspective diagrams show the structural frameworks within the Aricheng North and Aricheng West Complexes. Faults and shear zones are shown as blue planes. Structures are delineated by corridors of low magnetism in geophysical data.

Assay results to date from the Aricheng North and Aricheng West Complexes suggest that east-west orientated structures contain wider intervals of uranium mineralization than northeast-trending ones. Mineralization on all structures remains open along trend and at depth. Extensions of the east-trending structures constitute priority targets for ongoing scout drilling given the potential for greater uranium content in these areas.

4B. Aricheng West Complex



4B. The Aricheng West Complex consists of a northeast-trending shear zone that contains uranium at Aricheng Alpha, and two east-trending faults containing mineralization in the Aricheng West and Aricheng South sectors of those structures. The uranium-bearing zone at Aricheng Epsilon is believed to be part of the Aricheng West fault.

About U3O8 Corp.

U3O8 Corp. is a Toronto-based exploration company, focused on uranium exploration and resource expansion 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 comprising NI 43-101 compliant resources in Guyana to significant historic resources in Colombia and near-resource and discovery potential in Argentina.

Additional information on U3O8 Corp., each material project and technical reports are available on the company's web site at www.u3o8corp.com and on SEDAR at www.sedar.com.

(1) Based on a cut-off grade of 0.05% U_3O_8, a NI 43-101 resource estimate of 5.8 million pounds indicated at an average grade of 0.10% (2.0 lbs/st) U_3O_8 and 1.3 million pounds inferred at an average grade of 0.09% (1.9 lbs/st) U_3O_8 has been reported on the Aricheng North and Aricheng South structures in the Kurupung Batholith. For further information, refer to the technical report dated January 14, 2009 titled "A Technical Review of the Aricheng North and Aricheng South Uranium Deposits in Western Guyana for U3O8 Corp. and Prometheus Resources (Guyana) Inc.", available on U3O8 Corp's web site at www.u3o8corp.com and on SEDAR at www.sedar.com.

(2) Geologically similar albitite-hosted uranium deposits worldwide including the Valhalla deposit (Australia) and Michelin deposit (Canada), typically host resources in the 50 to 130 million pound range with typical grades of 0.06% to 0.10% U_3O_8, within multiple mineralized structures. These deposits have not been independently verified by U3O8 Corp. and information regarding these deposits is drawn from publicly available information. Comparisons of U3O8 Corp's uranium resource and exploration targets with other uranium deposits are conceptual in nature. There is no certainty that further exploration of U3O8 Corp's uranium resource or other targets will result in the delineation of a similar mineral resource.

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. There is no assurance that mineralization encountered at Aricheng C will add to U3O8 Corp's resource base. 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.

For information, please contact:
U3O8 Corp.
(416) 868-1491

Nancy Chan-Palmateer
Vice President, Investor Relations
nancy@u3o8corp.com

Richard Spencer
President & CEO
richard@u3o8corp.com