



Press Release

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U3O8 Corp. announces \$5.0 million private placement

TORONTO, Ontario – September 22, 2010 – U3O8 Corp. (TSX Venture: UWE) (U3O8 Corp. or the “Company”) is pleased to announce that, subject to regulatory approval, it has agreed to complete a brokered private placement with a syndicate of agents led by Dundee Securities Corporation and including PowerOne Capital Markets Inc. and Canaccord Genuity Corp. (the “Agents”) for the sale of up to 16,667,000 units (the “Units”) at a price of \$0.30 per Unit for gross proceeds of up to \$5,000,000 (the “Offering”). U3O8 Corp. has also granted the Agents an option to sell up to an additional 20% of the Offering, which is exercisable at any time up to two business days prior to the closing (the “Closing Date”). Insiders of U3O8 Corp. intend to purchase, directly or indirectly, up to \$2.5 million of the Offering.

Each Unit will be comprised of one common share and one-half of one transferable common share purchase warrant. Each full warrant will be exercisable into one common share for a period of two years after the Closing Date at a price of \$0.45 per common share. In the event the closing price for U3O8 Corp’s common shares is greater than \$0.70 per share for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the warrants to the 30th day after notice of the accelerated expiry date has been given by U3O8 Corp.

As consideration to the Agents, U3O8 Corp. has agreed to pay a cash commission of 6.0% on the total proceeds raised upon closing and issue Agents’ warrants (“Agents’ Warrants”) equal to 6.0% of Units issued pursuant to this Offering. Each Agents’ Warrant will be exercisable into one common share for a period of two years after the Closing Date at a price of \$0.45 per common share.

The securities issued under this financing will be subject to a four-month hold period from the Closing Date of the Offering.

U3O8 Corp. intends to use the net proceeds to advance the exploration and development of its projects in Guyana, Colombia and Argentina and for general working capital purposes.

This news release does not constitute an offer to sell or solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About U3O8 Corp.

U3O8 Corp. is a Toronto-based exploration company focused on exploration of uranium and associated commodities in South America.

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.

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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 financial markets and 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 the Kurupung Project, Berlin Project and Laguna Salada Projects will add to U3O8 Corp's resource base in the short-term, or at all. 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.