



## Press Release

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#### **U3O8 Corp. announces approximately C\$2.8 million increase in private placement**

TORONTO, Ontario – January 28, 2011 – U3O8 Corp. (TSX Venture: UWE) (U3O8 Corp. or “the Company”) is pleased to announce that due to strong investor demand for its recently announced private placement of Units (the “Offering”), the Company and the Underwriters have agreed to increase the size of the Offering by approximately C\$2.8 million.

The Offering which is being conducted by a syndicate of underwriters led by GMP Securities L.P. and including Dundee Securities Corporation, PowerOne Capital Markets Ltd. and Haywood Securities Inc. (collectively, the “Underwriters”), will now include the issuance of an additional 3,350,000 Units at a price of C\$0.85 per Unit, for a total of 21,000,000 Units being issued for aggregate proceeds of C\$17,850,000. In connection with the Offering, the Company has granted the Underwriters an option, exercisable in whole or in part, at any time up to 48 hours prior to the closing of the Offering, to purchase 3,150,000 additional Units. If this option is exercised in full, an additional C\$2,677,500 will be raised pursuant to the Offering and the aggregate gross proceeds of the Offering will be C\$20,527,500.

Each Unit will consist of one common share in the capital of the Company (each a “Common Share”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share (a “Warrant Share”) at a price of C\$1.00 per Warrant Share (the “Exercise Price”) for a period of 2 years following the closing of the Offering. Insiders of U3O8 Corp. intend to purchase, directly or indirectly, up to approximately C\$3.6 million of the Offering.

The Company has agreed to pay to the Underwriters, in aggregate, a cash fee of up to 6% of the gross proceeds of the Offering (and any gross proceeds in connection with the exercise of the Underwriters’ Option) and to grant to such Underwriters, in aggregate, that number of broker warrants which is up to 6% of the number of shares sold under the Offering, including the Underwriters’ Option, with each such broker warrant entitling the holder to purchase one Unit of the Company at a price of C\$0.85 for a period of 24 months from closing.

The net proceeds are intended to be used by the Company to advance the exploration and development of its projects in Guyana, Colombia and Argentina and for general working capital purposes.

The Offering is expected to close on or about February 15, 2011 and is subject to the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX Venture Exchange and applicable securities regulatory authorities.

*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. The Company has one of the most advanced portfolios of uranium projects in the region comprising NI 43-101 compliant resources in Guyana, significant historic resources in Colombia and near resource 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](http://www.u3o8corp.com) and on SEDAR at [www.sedar.com](http://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.*