

Press Release

U308 Corp. files NI 43-101 Technical Report on the Laguna Salada Project, Argentina

Toronto, Ontario – May 20, 2011 – **U308 Corp. (TSX Venture: UWE)**, a Canadian-based company focused on exploration and resource expansion of uranium and associated commodities in South America, reports the filing of the National Instrument 43-101 (“NI 43-101”) Technical Report on the Laguna Salada Project in Chubut Province, Argentina, following the company’s press release on April 7, 2011 that announced the uranium-vanadium resource estimate on this project as follows:

Uranium:

- Indicated Resource: 6.3 million pounds (“mlbs”) U₃O₈ (47 million tonnes at a grade of 60ppm U₃O₈);
- Inferred Resource: 3.8mlbs U₃O₈ (21 million tonnes at a grade of 85ppm U₃O₈);

Vanadium:

- Indicated Resource: 57mlbs V₂O₅ (47 million tonnes at a grade of 550ppm V₂O₅); and
- Inferred Resource: 27mlbs V₂O₅ (21 million tonnes at a grade of 590ppm V₂O₅).

Laguna Salada is a low-grade prospect with a number of positive attributes for a potentially low-cost mining project including excellent beneficiation features that can increase the uranium and vanadium grades by four to 12 times through simple and inexpensive screening (see U308 Corp’s press releases dated April 7, 2011 and March 2, 2011.) For uranium, this would lead to a head grade of approximately 550-580 ppm U₃O₈ – typical of head grades of similar deposits elsewhere in the world¹. The mineralized layer at Laguna Salada lies near the surface of flat-topped mesas and mining could simply lower the profile of the mesas. The uranium-vanadium occurs in soft, unconsolidated gravel that should require no blasting and crushing. Acid leach tests yielded good recoveries of both metals. Metallurgical test work on both acid and alkaline leach is ongoing.

Mineralization remains open in both the Guanaco and Lago Seco areas of Laguna Salada. Further resource growth will be investigated through the exploration of possible extensions to the Laguna Salada Project as well as through exploration of similar targets in Santa Cruz Province in southern Argentina.

A summary of the resource estimates in the Laguna Salada Project is shown below. The recommended cut-off grades for the two mineralized areas, taking into account their distinct beneficiation characteristics, are: 25ppm U₃O₈ for Guanaco and 100ppm U₃O₈ for Lago Seco.

Summary of Resource for the Laguna Salada Project using recommended cut-off grades for the Guanaco and Lago Seco areas						
Category of Resource	Lower cut-off (ppm U ₃ O ₈)	Tonnes (millions)	Average Grade		Contained Metal	
			Average Grade U ₃ O ₈ (ppm)	V ₂ O ₅ (ppm)	U ₃ O ₈ (millions of lbs)	V ₂ O ₅ (millions of lbs)
Indicated Resources						
Guanaco	25	44.6	55	530	5.5	52.0
Lago Seco	100	2.7	145	840	0.9	5.0
Total Indicated		47.3	60	550	6.3	57.1
Inferred Resources						
Guanaco	25	19.4	80	555	3.4	23.7
Lago Seco	100	1.3	130	1,065	0.4	3.1
Total Inferred		20.8	85	590	3.8	26.9

Note: Resource figures have been rounded

The NI 43-101 Technical Report is dated May 20, 2011 and titled "Laguna Salada Project, Chubut Province, Argentina, NI 43-101 Technical Report on Laguna Salada, Initial Resource Estimate". The report can be viewed on SEDAR at www.sedar.com and on the company's web site at www.u3o8corp.com. The report was undertaken by Mr. Neil Inwood, a Member of The Australasian Institute of Mining and Metallurgy, is employed by Coffey Mining Pty Ltd, and visited the Laguna Salada site in May 2010. Mr. Inwood has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Reserves" and as a "qualified person" for purposes of NI 43-101. The disclosure contained in this news release relating to the Mineral Resource set forth above has been prepared under the supervision of, and verified by, Mr. Inwood and is included herein with his consent.

All other scientific and technical information contained in this news release has been prepared under the supervision of, and verified by Dr. Richard Spencer, P. Geo, President & CEO of U3O8 Corp., a "qualified person" within the meaning of NI 43-101.

About U3O8 Corp.

U3O8 Corp. is a Toronto-based exploration company, focused on exploration and resource expansion of uranium and associated commodities 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 resources in Guyana and Argentina to significant historic resources in Colombia.

(1) Similar deposits elsewhere in the world such as Langer Heinrich typically have a mill feed grade of 500-600ppm after beneficiation. These deposits have not been independently verified by U3O8 Corp. and information regarding these deposits is drawn from publicly available information.

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 possibility that the open-pit mining ban in Chubut Province may not be lifted or amended on terms that would allow for mining of the Laguna Salada Project, 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, the accuracy on which resource calculations are based, actual mineralization differing from resource estimates, 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.

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

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