

Press Release

U3O8 Corp. closes first tranche of private placement

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Toronto, Ontario – December 28, 2012 – **U3O8 Corp. (TSX: UWE; OTCQX: UWEFF)**, a Canadian-based company focused on exploration and resource expansion of uranium and associated commodities in South America, has closed the first tranche of its previously announced non-brokered private placement. The company raised gross proceeds of \$846,194 in this first tranche through the issue of 3,846,337 units (“Unit”) at \$0.22 per Unit (the “Offering”).

Each Unit consisted of one common share of U3O8 Corp. (“Share”) and one-half of one common share purchase warrant (“Warrant”). Each whole Warrant entitles the holder to purchase one Share at \$0.30 per Share for a period of 24 months.

All securities issued under the Offering are subject to a statutory 4-month hold period expiring on April 29, 2013. Finder’s fees of \$17,160 were paid in connection with the closing of the first tranche. The Offering is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals.

The net proceeds will be used to fund ongoing work building on the positive Preliminary Economic Assessment (“PEA”) recently announced on U3O8 Corp’s initial deposit in Colombia, for its exploration projects in Argentina and Guyana, and also for general corporate purposes.

About U3O8 Corp.

U3O8 Corp. is an advanced 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. In just one year, U3O8 Corp’s uranium resources have grown 7-fold with deposits now in Colombia, Argentina and Guyana comprising of:

- Berlin Project, Colombia – its flagship property contains a uranium deposit supported by a high-value suite of by-products including phosphate, vanadium, rare earths (yttrium and neodymium) and other metals, which a PEA shows Berlin could be a zero cash cost uranium producer;
- Laguna Salada Project, Argentina – a near surface, free-digging uranium, vanadium deposit that is potentially amenable to low-cost mining and processing methods; and
- Kurupung Project, Guyana – an initial uranium deposit in a large emerging uranium district.

Additional information on U3O8 Corp. and its mineral resources are available 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 future results of metallurgical test work, whether results of metallurgical test work on a smaller scale to date can be duplicated on a larger scale, the impact of general economic conditions, industry conditions, the timing of lab results and preparation of technical reports and economic studies, the actual results and realization of independent preliminary economic assessments and subsequent metallurgical testing, volatility of commodity prices, risks associated with the uncertainty of exploration results and estimates and that the resource potential will be achieved on the exploration projects, currency fluctuations, legislative change, 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.

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