



MANAGEMENT'S DISCUSSION AND ANALYSIS

U308 CORP.

THREE MONTHS ENDED MARCH 31, 2016

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U3O8 CORP.

Management's Discussion & Analysis

Three Months Ended March 31, 2016

Introduction

This Management's Discussion and Analysis ("MD&A") is dated May 10, 2016, unless otherwise indicated, and should be read in conjunction with the unaudited condensed interim consolidated financial statements of U3O8 Corp. ("U3O8 Corp.", "the Company") for the three months ended March 31, 2016 and the related notes. This MD&A was written to comply with National Instrument 51-102 – Continuous Disclosure Obligations. Results are reported in Canadian Dollars, unless otherwise noted. The results presented for the three months ended March 31, 2016, are not necessarily indicative of the results that may be expected for any future period.

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") for the three months ended March 31, 2016. Information about U3O8 Corp., its minerals resources and technical reports prepared in accordance with National Instrument 43-101 ("NI 43-101") are available at www.u3o8corp.com or on SEDAR at www.sedar.com.

Highlights

The Company is firmly focused on advancing only projects that have an estimated cash cost of production in the lower quartile of the uranium industry. This focus stems from the observation that resource companies that meet this criterion have proven that they are best equipped to successfully navigate through cyclical lows in the industry.

Having defined initial uranium resources in accordance with NI 43-101 guidelines on the Company's key projects in Argentina, Colombia and Guyana, detailed preliminary economic assessments ("PEA")¹, were undertaken the deposits in Argentina and Colombia. The PEAs showed that the deposits passed the Management's crucial first test: that uranium would be produced at a cash-cost that is in the lower quartile of the industry. The PEAs also showed that the economics of the deposits are strongly geared to resource size. Resource growth, therefore, is a priority in adjacent areas in which exploration results have demonstrated potential extensions to the deposits. Under the current challenging market conditions, the Company has prioritized the advancement of the Laguna Salada Project in Argentina towards a pre-feasibility or feasibility study due to the project's relatively low estimated capital cost ("capex") and short timeline to potential production. U3O8 Corp.'s strategy is to advance the Berlin Deposit in Colombia at a more measured pace, such that it would potentially reach production after Laguna Salada.

In Q1 2016, the Company incurred cumulative cash exploration expenditures of \$0.1 million (excluding stock-based compensation, taxes and amortization), largely to maintain the Argentine and Colombian properties in good standing. This expenditure was down from \$0.3 million in Q1 2015 as exploration continued to be deferred to preserve cash.

At March 31, 2016, the Company had \$20,100 in cash and cash equivalents and guaranteed investment certificates held mostly with major Canadian chartered banks ("total cash") (December 31, 2015 – \$205,703) and a working capital deficit of \$1,413,368, which included an accrual of approximately \$610,000 for Colombian taxes and approximately \$175,000 for various accrued items which, in the opinion of Management, are unlikely to be enforced (December 31, 2015 – working capital deficit of \$1,201,981). Subsequent to the quarter-end, the Company raised aggregate gross proceeds of \$152,500 via a private placement.

Cash has been conserved by limiting development activities to the Argentine Project and continued implementation of company-wide cost-cutting measures. U3O8 Corp. is also pursuing multiple strategic partnerships and investment options to provide funding through which its projects could be advanced to the next milestones and potential production. Further financings will be required to develop the Company's deposits, to meet ongoing obligations and discharge liabilities in the normal course of business. Materially all of the Company's exploration activities are discretionary and therefore, there is some flexibility in the pace and timing of development of the properties.

¹ PEAs – See the September 18, 2014 technical report: "Preliminary Economic Assessment of the Laguna Salada Uranium Vanadium Deposit, Chubut Province, Argentina." U3O8 Corp. has defined a multi-commodity resource on just 3km of the 10.5km long Berlin trend. See the January 18, 2013 technical report: "Berlin Project, Colombia – Preliminary Economic Assessment, NI 43-101 Report." The Laguna Salada and Berlin PEAs are preliminary in nature. The PEAs include inferred mineral resources that are considered too speculative geologically for economic consideration that would enable them to be classified as mineral reserves. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that the Laguna Salada and Berlin PEAs will be realized.



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Expenditures may be adjusted, limited or deferred subject to current capital resources and potential to raise funds. U3O8 Corp. will continue to manage its expenditures essential to the viability of its material properties.

Overview

U3O8 Corp. is a Toronto-based exploration company focused on exploration and development of uranium and related mineral resources in South America. The Company's principal assets are the Laguna Salada Project in Argentina and the Berlin Project in Colombia on which PEAs have shown lower quartile cash cost of production potential. A third asset is the Kurupung Project in Guyana on which an initial resource has been defined in accordance with NI43-101 guidelines, but which has not had a PEA undertaken. To date, the Company has not earned any revenues from its exploration for uranium and related minerals.

Mineral Resources²

U3O8 Corp. has initial resources prepared in compliance with NI 43-101 in Argentina, Colombia and Guyana:

Project	Mineral Resource	Tonnes (million)	Grade U ₃ O ₈	Grade V ₂ O ₅	Grade P ₂ O ₅	U ₃ O ₈ lbs (million)	V ₂ O ₅ lbs (million)	P ₂ O ₅ tonnes (million)
Laguna Salada* (Argentina)	Indicated	47.3	60ppm	550ppm	--	6.3	57.1	--
	Inferred	20.8	85ppm	590ppm	--	3.8	26.9	--
Berlin Project (Colombia)	Indicated	0.6	0.11%	0.4%	8.4%	1.5	6.0	0.05
	Inferred	8.1	0.11%	0.5%	9.3%	19.9	91.0	0.8
Kurupung Project (Guyana)	Indicated	4.1	0.09%	--	--	8.4	--	--
	Inferred	4.3	0.08%	--	--	7.7	--	--

*Laguna Salada – uranium and vanadium grades can be increased by 11 times in the Guanaco sector of the deposit and by 7 times in the Lago Seco area, by scrubbing and screening. This would lead to uranium head grades of 850-870ppm U₃O₈ typical of the mill feed grade of operating mines of similar deposits elsewhere in the world. See "Priority Exploration Projects" below.

Exploration Projects

U3O8 Corp. has exploration concessions in Argentina, Colombia and Guyana in South America. The three most advanced projects are:

1. Laguna Salada Project, a uranium-vanadium deposit in soft, free-digging gravel in Argentina;
2. Berlin Project, in which uranium is contained in a layer of limestone and sandstone that also contains phosphate, vanadium, nickel, rare earths and other metals, in Colombia; and
3. Kurupung Project, in which uranium is concentrated in veins, in Guyana.

The Company also has a 39.8% interests in an early-stage investee company, South American Silica Corp. ("SAS"), a private company dedicated to the identification of frac sand deposits in southern South America.

Other than discussed elsewhere, there has been no material change in the general trends affecting the Company to those discussed under "Trends" in U3O8 Corp's MD&A for the year ended December 31, 2015, available at www.u3o8corp.com and on SEDAR at www.sedar.com.

Outlook

U3O8 Corp.'s uranium assets in South America comprise resources prepared in accordance with NI 43-101 in Argentina, Colombia and Guyana. Current challenging commodity markets have forced the Company to focus expenditure on the Laguna Salada Deposit as a potential low production cost project for development in a relatively short timeframe while minimizing expenditure on the other projects until capital is available at less dilutive levels than are available at present. Since mineralization in the three deposits is open, there is considerable resource growth potential that may be realized through infill drilling and trenching. In addition, the PEAs completed on the Colombian

² Laguna Salada – see May 20, 2011: "Laguna Salada Project, Chubut Province, Argentina, NI 43-101 Technical Report on Laguna Salada: Initial Resource Estimate". Berlin Project – see March 2, 2012: "Berlin Project, Colombia – National Instrument NI 43-101 Report". Kurupung Project – See June 26, 2012: "Technical Review and Mineral Resource Estimates of the Aricheng C and Aricheng West Structures, Kurupung Uranium Project, Mazaruni District, Guyana for U3O8 Corp."

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and Argentine deposits identified areas in which further test work may lead to efficiencies that could significantly reduce capital cost ('capex') and operating cost ('opex').

1. **Laguna Salada Project, Argentina**³ – Results of the PEA on the initial uranium-vanadium resource shows that Laguna Salada has the potential to produce uranium at a low cash cost of production of US\$21.62/lb net of a vanadium by-product credit, and including a 3% net smelter royalty ("NSR") payable to the State. At a uranium price of \$60/lb, the project would have a 2½ year payback period during which the estimated cash-cost of production would be US\$16.14/lb through the mining of higher-grade material at the beginning of the mine life to pay down project debt as quickly as possible. The PEA shows that the project's economics are positively geared to resource size and therefore, a priority for the project is resource expansion through infill trenching of targets that lie adjacent to the deposit, that have potential for 10-15Mlb of uranium. The exploration areas with prime resource potential are:
 - i. The La Susana area that lies immediately adjacent to, and immediately southeast of, the current Laguna Salada resource. The style and tenor of mineralization is similar to that of the Laguna Salada resource, and hence La Susana is interpreted to be an extension of the deposit;
 - ii. The La Rosada area that is located 30 kilometres ("km") north of Laguna Salada, and contains mineralization that has an average grade that is 30 times that of the Laguna Salada resource; and
 - iii. The three concessions that belong to the Petrominera, on which the U3O8 Corp. negotiated an option to form a JV in 2015. The Laguna Salada Deposit is open onto one of Petrominera's concessions.

Next steps would be to undertake metallurgical test work on mineralized material from Petrominera's properties along with trial mining and pilot plant test work in which the mineralized gravel would be beneficiated by scrubbing and screening followed by alkaline leach of its fine-grained component. This test work would generate more precise mining and processing cost estimates for inclusion in future economic studies of the deposit (pre-feasibility ("PFS") or feasibility study ("FS")).

2. **Berlin Project, Colombia**⁴ – a resource of uranium, phosphate, vanadium, nickel, molybdenum, zinc, rhenium, silver and rare earths (yttrium and neodymium) has been defined on the southern third of a 10.5km mineralized trend at Berlin. A PEA shows that by-product revenues could pay for extraction of the uranium – making Berlin a potentially very low cash-cost uranium producer. Drill intercepts and trench results from the 7.5km of the mineralized trend that lies adjacent to the resource area are indicative of an additional 50-55Mlb of uranium potential. There is potential, therefore, for the Berlin Deposit to contain 70-75Mlbs of uranium. The most efficient use of cash for the Berlin Project would be to test specific metallurgical processes that, if positive, could lead to optimization of the plant design that is likely to further enhance the project's economics. Further drilling and associated potential resource expansion will be held off until funds are more freely available.
3. **Kurupung Project, Guyana**⁵ – The current Kurupung resource was defined in four uranium-bearing veins within a granitic host-rock. Six other veins have been shown to contain consistent uranium mineralization through scout drilling; these veins are ready for infill drilling to the spacing required for resource definition. In addition, field work has identified other compelling targets that warrant scout drilling. Further work on the project has been postponed until funding is available on less dilutive terms. Potential game-changers for the economics of the Kurupung Project include resource growth and associated economies of scale as well as the potential to recover zircon as a by-product of uranium production. A resource has not been established for the zircon which occurs with the uranium. A zircon resource has not been established because many of the zircon values exceed the analytical threshold of the assay method that is optimal for uranium and assay specifically for high zirconium values is extremely expensive.

³ *Laguna Salada Project – Based on exploration results of other mineralized areas, there is an additional exploration target of 56-113 million tonnes ("Mt") at 50ppm to 60ppm U₃O₈ (10-15Mlb) identified in the district to date. See press releases dated December 4, 2013 and November 12, 2013. Potential quantity and grades are conceptual in nature. There has been insufficient exploration to define a mineral resource beyond the current resource. It is uncertain if further exploration will result in additional mineral resources being delineated in the region. See also "Overview – Mineral Resources" and notes 1 and 2 above.*

⁴ *Berlin Project – Based on exploration of other mineralized areas, there is an additional exploration target of 20-27Mt at 0.09% to 0.11% U₃O₈ (50-55Mlb) on the remaining 7.5km of the trend – see September 20, 2012 press release. Potential quantity and grades are conceptual in nature. There has been insufficient exploration to define a mineral resource north of the current Berlin Deposit. It is uncertain if further exploration will result in additional mineral resources being delineated on the property. See also "Overview – Mineral Resources" and notes 1 and 2 above.*

⁵ *Kurupung Project – See "Overview – Mineral Resources" and note 2 above.*

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At March 31, 2016, U308 Corp. had \$20,100 in cash. Gross proceeds of \$75,000 were raised in a non-brokered private placement during the quarter. Subsequent to quarter-end, a further \$152,500 was raised. Additional funds will be required to further advance the Company's lead projects. There is no assurance that these funds can be raised upon terms acceptable to the Company, or at all.

U308 Corp's performance will be to be tied to:

- Advancing the Laguna Salada Deposit towards production on the back of pilot plant test work and potential resource expansion;
- Greater international acceptance of Argentina as a viable investment destination through the initiatives of the new government;
- Results of further metallurgical test work on a bulk sample from the Berlin Project that has the potential to simplify the flow sheet and lower associated opex and capex.

The reader must be cautioned that there is no guarantee that the capex, opex and cash flow modeled in the PEAs on the Berlin and Laguna Salada deposits will be achieved (see section "Caution Regarding Forward-Looking Statements.")

Management believes the first financial estimates made in the PEAs on the Laguna Salada and Berlin deposits provide shareholders with a reliable and independent means of valuing these projects and the Company. It is important to note that the PEAs on the Laguna Salada and Berlin deposits form part of a transparent, stepwise process in which the Company's first priority was to confirm potential for lower quartile cash-costs of production. Having achieved that goal through independent assessment, the second step is to increase the size of the resource, thereby potentially strengthening other economic measures such as net present value ("NPV") and internal rate of return ("IRR") towards positioning these projects for potential production. Exploration results from areas adjacent to the defined resources at Laguna Salada and Berlin show that there is clear potential for resource expansion through infill trenching and drilling, respectively.

Priority Exploration Projects

Laguna Salada Project, Argentina⁶

Uranium in the Laguna Salada Project is concentrated in a 1m thick layer that extends from surface to a maximum depth of 3m below surface in soft gravel in a semi-desert environment of Chubut Province, Argentina. The current mining law in Chubut Province does not allow open pit mining or the use of cyanide. The continuous surface mining method detailed in the Laguna Salada PEA, filed in September 2014, would see no open excavation left after mining. Cyanide is also not used in the processing of the mineralized material and therefore, the mining and processing methods contemplated for Laguna Salada are considered by Management to be in compliance with current mining law in Chubut Province.

U308 Corp. has reported an initial uranium resource, defined in compliance with NI 43-101, of 6.3Mlbs (47 million tonnes ("Mt") of mineralized material at a grade of 60 parts per million ("ppm") U₃O₈) in the Indicated category and 3.8Mlbs (21Mt of mineralized material at a grade of 85ppm U₃O₈) Inferred. The key to this extremely low-grade deposit is the extent to which beneficiation, the removal of pebbles from the fine-grained component of the gravel, concentrates the uranium.

A vanadium resource, defined in compliance with NI 43-101, of 57Mlbs (47Mt of mineralized material at a grade of 550ppm V₂O₅) is categorized as Indicated and 27Mlbs (21Mt of mineralized material at a grade of 590ppm V₂O₅) as Inferred.

The uranium-vanadium occurs in soft, unconsolidated sandy gravel that requires no blasting or crushing. The PEA undertaken on the project modelled mining by continuous surface miners that would cut a 20-30 centimetre layer of

⁶ Laguna Salada Project – See notes 1, 2 and 3 above.

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unconsolidated gravel with each pass along a trench. Gravel cut from the leading edge of the trench would be loaded by conveyor belt and transported a short distance by truck-trailers to mobile beneficiation units where the gravel would be scrubbed and screened with water to separate the pebbles and coarse sand from the fine-grained material. Approximately 90% of the damp gravel would be immediately returned to the trailing edge of the trench where it would be reshaped to the land's original topography and replanted with indigenous flora removed from the leading edge of the trench immediately prior to mining. Reclamation would, therefore be in "real-time", continuing throughout the life of the mine at the same pace as mining proceeded. This technique ensures that after mining, there would be little evidence that mining had occurred.

Extensive test work shows that beneficiation results in approximately 82% of the gravel's uranium and 33% of its vanadium concentrated in the fine-grained material, to the extent that the uranium grade of the fine-grained component derived from the Guanaco sector of the deposit is consistently 11 times higher than in the raw gravel, and in the Lago Seco sector, it is consistently 7 times higher than in the original gravel. Beneficiation would result in an average head grade of approximately 850-870ppm U₃O₈ – similar to the mill feed grade of operating surficial uranium deposits elsewhere in the world.

Uranium and vanadium would be extracted from the fine material by alkaline leach (in which the reagents are washing soda and baking soda) at an optimal temperature of 80°C. The overall recovery of uranium, from initial mining to final extraction, is 78%, yielding 6.4Mlbs of into yellowcake (uranium oxide) recovered over the 10-year mine life.

Approximately 67% of the gravel's vanadium occurs in coarse-grained minerals that are screened away with the pebbles and coarse sand. Of the 33% of the gravel's vanadium that passes through the screens in the fine-grained, uranium-rich material, about 40% is in a heavy mineral called ilmenite that cannot be cracked using the extraction method optimized for uranium at Laguna Salada. This leaves about 60% of the 33% of the gravel's original uranium content available for leaching, and combined with the fact that leaching is not perfect, a total of 14% of the gravel's original vanadium content would be recovered, yielding 10Mlbs of vanadium pentoxide (redcake) over the mine life.

The Laguna Salada PEA estimates a life of mine ("LOM") cash cost of US\$21.62/lb of uranium, net of a vanadium credit. This would make Laguna Salada potentially competitive with low-cost uranium deposits in the Athabasca Basin and in-situ recovery ("ISR") operations worldwide. Due to the shallow, flat-lying nature of the Laguna Salada Deposit, the current mine design allows for production to start in the higher grade core of the deposit where the initial cash cost of production is estimated to be US\$11.66 in the year one, gradually rising to US\$41.10 in year 10, for an average of US\$16.14 during the 2½-year payback period. Capex of US\$136 million includes a US\$22 million contingency (20%) and US\$3.3 million in sustaining capital for the life of mine. The economic model was based on a US\$60/lb uranium price and US\$5.50/lb for vanadium to yield a projected pre-tax NPV at a 7.5% discount rate ("NPV_{7.5%}") of US\$55 million with an IRR of 24% (after-tax NPV_{7.5%} of US\$22 million and IRR of 14%). The PEA shows that project's economics could be further enhanced by increasing the size of the resource combined with a larger processing plant with greater throughput. Therefore, the immediate goal is to expand the current resource into the adjoining La Susana area and Petrominera's property, as well as in the La Rosada prospect in the northern part of the concession area. An estimated exploration budget of US\$1.8 million would be required to establish resources in these new areas.

The PEA also recommends that the project be advanced to PFS with associated on-site pilot plant test work to provide precise guidance on mining and processing costs. This test work is budgeted at US\$2.6 million. A further US\$4.1 million would be required for permitting, infill trenching and drilling to upgrade a 20Mlb exploration target to the Indicated resource category and to complete a feasibility study. In total, therefore, a budget of US\$8.5 million over a 2-year period would ready the Laguna Salada Project for a decision as to whether to commence construction.

Subsequent to completion of the PEA, U308 Corp. signed an exploration agreement with Petrominera, the provincial mining company in Chubut, in April 2015. The agreement provides the Company with an option to explore and define resources and reserves on Petrominera's three concessions that adjoin the Laguna Salada Project. Should U308 Corp. decide to exercise its option to form a JV with Petrominera, each party's percentage participation would be calculated on the basis of reserves located on its concessions relative to those that lie on the total mineral concession package. The addition of Petrominera's concessions could contribute towards the Company's goal of increasing the



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current Laguna Salada resource with an additional exploration target of 10-15Mlb⁷ of uranium and therefore could contribute to further enhancing the project's economics.

The Chubut provincial partnership represents an important milestone for U3O8 Corp. not only by providing additional resource growth potential, but by providing a strong partner as Laguna Salada is advanced toward production in a country that is seeking local uranium supply to reduce its reliance on imported fuel for its expanding nuclear reactor fleet. As one of the most advanced uranium projects in Argentina, Laguna Salada is well placed to benefit from plans to double nuclear capacity to provide approximately 18% of Argentina's electricity requirement by 2025. Argentina's third reactor reached full power in February 2015 and nuclear now generates about 9% of the country's electricity.

Berlin Project, Colombia

The Berlin Project is located in Caldas Province of central Colombia. The deposit was discovered by a French company, Minatome, and was explored between 1978 and 1981, immediately prior to the company being nationalized by the French government. Minatome made a historic (non-compliant to NI 43-101) resource estimate⁸ of 38Mlb U₃O₈ on the southern 4.4km of a 10.5km long hull-shaped fold. Historic work did not include estimates for commodities other than uranium. The maximum altitude of the Berlin Project is 1,400m, well below the Páramo ecosystem that lies above 3,000m, for which additional environmental restrictions apply in Colombia. The project is favourably located adjacent to Colombia's agricultural heartland between the country's largest cities of Bogota and Medellin in an area of good infrastructure. A 395 megawatt hydroelectric dam is located 12km from the project and would augment the power planned to be generated by heat capture from the plant design that was incorporated into the PEA on the project. A principal highway, a major river that is navigable by barge to the Caribbean Sea and a railway line that the Government has reportedly prioritized for refurbishment, lie 60km east of the project.

U3O8 Corp. undertook an intensive exploration program to delineate a maiden resource in compliance with NI 43-101 of uranium, phosphate, nickel, vanadium, molybdenum, rhenium, zinc, silver and the rare earth elements, neodymium and yttrium, in the southern 3km of the mineralized unit. Exploration drilling has confirmed that mineralization extends over an additional area that is more than double the size of the maiden resource area. Results of this drilling, along with trench results showing that mineralization extends into the northern part of the trend, are interpreted to indicate that there is an exploration target of approximately 50-55Mlb of uranium adjacent to the current resource⁹. Drill intercepts show excellent geological continuity with the mineralization consistently hosted by a specific limestone-sandstone unit in both the exploration and resource areas. Further drilling would be required to convert exploration potential of the adjacent area into resources along the whole 10.5km mineralized trend.

Mining would be by underground methods via a decline with a crusher located in an underground chamber for dust control. Mineralized rock would be crushed to 100 micrometres before being mixed into a slurry and pumped to the processing plant.

Extensive metallurgical test work conducted by two independent, reputable labs show that the uranium and associated suite of commodities of economic interest at Berlin can be efficiently and effectively extracted using acidic ferric iron leach. While metallurgical test work from 10% of bore hole intercepts would be considered representative, Management took a conservative approach in subjecting ~35% of the bore hole intercepts from throughout the initial resource area, to testing. A complete flow sheet designed specifically for the characteristics of the Berlin material includes a case for crushing of the whole-rock mineralized material followed by leaching and recovery the various commodities. The flow sheet is detailed and costed out in the 2013 Berlin PEA.

The PEA on the Berlin Deposit shows that revenue from the associated by-products is projected to cover the cost of mining and extracting the uranium. Based on a US\$60/lb uranium price, the PEA valued Berlin at a pre-tax NPV_{7.5%} of US\$338 million with a 19% IRR (after-tax NPV_{7.5%} of US\$198 million and IRR of 15%). The financial model estimates an initial capital investment of US\$360 million plus an additional US\$40 million in sustaining capital and a US\$41 million contingency. The operation, as envisaged in the PEA, would produce an average of 1.2Mlb of uranium annually over a 15-year mine life. The Berlin Project is expected to generate US\$2.8 billion in revenue with

⁷ Laguna Salada Project – see note 3.

⁸ Berlin Project – A historic resource (not in accordance with NI 43-101) of 12.9Mt at 0.13% U₃O₈ (38Mlb) was reported in Castano, R. (1981), *Calcul provisoire des réserves géologiques de Berlin, sur la base des résultats des sondages*, unpublished Minatome report, 15p. U3O8 Corp. is not treating the historic estimate as current mineral resources or mineral reserves, but viewed merely as an indication of the uranium resource potential on the southern 4km of the 10.5km long syncline. U3O8 Corp. has defined a multi-commodity mineral resource on the southern 3km of the Berlin trend.

⁹ Berlin Deposit – See note 4.

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operating cash flow of US\$982. Revenue generated by commodity is estimated to be as follows: uranium (35%), phosphoric acid (31%), nickel (15%), vanadium (9%), yttrium (6%) and molybdenum, neodymium and zinc (4%).

The Berlin PEA indicates robust economics despite the study being done on only a part of what is potentially a much larger deposit. There is a strong possibility that the flow sheet may be simplified on the basis of test work that was completed subsequent to the submission of the PEA as well as further work required to test the efficiency of membranes to isolate the individual commodities of interest from the pregnant liquor solution. The objective of adopting these design changes would be to lower both capex and opex on the project, which should result in further strengthening of the economics of the project. In addition, an increase in the size of the resource through further exploration drilling is likely to result in economies of scale that should also reduce opex.

Kurupung Project, Guyana

U308 Corp.'s exploration drilling has shown the Kurupung uranium district to be a classic example of an albitite-hosted deposit. These deposits elsewhere in the world tend to be large and relatively low grade in which uranium is concentrated in shoots within vein-breccias. These deposits typically contain 60-130Mlb of uranium at grades of 0.06% to 0.10% U₃O₈, contained in multiple vein-breccias¹⁰.

Field evidence suggests that uranium in the Aricheng area is contained within one large system of linked vein-breccias in which ten structures have been shown to contain consistent uranium mineralization, and the current resource estimate for the Kurupung project is based on tight-spaced drilling of only four of these. Soil geochemistry, combined with geophysical data, defines additional targets that warrant scout drilling. Some of these anomalies have an Iron Oxide Copper Gold (IOCG) affinity that should be investigated in due course.

An average uranium recovery of 82% was achieved using acid leach in initial metallurgical test work on hard-rock material from the Kurupung. No metallurgical test work has yet been done to investigate the extent to which zircon can be recovered from the mineralized material and whether this material could be purified to the extent required to constitute a saleable product. Further exploration and metallurgical testing has been deferred until the financial markets improve.

Grassroots Exploration

While the priority remains on U308 Corp.'s lead uranium projects in Argentina, Colombia and Guyana as discussed above, the Company has other uranium projects with known mineralization that require further exploration in due course.

South American Silica Corp. ("SAS") is 39% owned by U308 Corp. and is focused on the identification and acquisition of frac sand deposits in South America, principally within reasonable delivery distance of the Vaca Muerta – a shale formation in the Neuquen basin in Argentina, that contains the 3rd largest unconventional gas resource and 4th largest unconventional oil reserve in the world. SAS has assembled a strong property portfolio in Uruguay, Brazil and Argentina that is well located relative to existing infrastructure with access to deep water ports. Initial test results show that the sands meet the technical specifications required for use in fracked oil and gas wells.

Technical Disclosure

Dr. Richard Spencer, President and CEO of the Company, is a "qualified person" as defined by NI 43-101. Dr. Spencer has supervised the preparation of, and verified, all technical information contained in this MD&A related to the Company's projects in South America.

¹⁰ Albitite-hosted uranium systems – Comparison of the Kurupung Project with other uranium deposits are conceptual in nature. There is no certainty that further exploration on the Kurupung will result in the delineation of a similar size mineral resource.

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Selected Annual Financial Information

For Year Ended December 31,	2015	2014	2013
Net loss	\$3,170,131	\$5,761,174	\$7,432,974
Net loss per share (basic and fully diluted)*	\$0.01	\$0.03	\$0.05
As at December 31,	2015	2014	2013
Total assets	\$ 11,173,894	\$12,191,971	\$14,276,721

(*) U308 Corp. did not have any loss before discontinued operations or extraordinary items for each period presented.

Summary of Quarterly Results

The following quarterly results for the eight most recent quarters have been prepared in accordance with IFRS.

Three Months Ended (*)	Net Loss (\$)	Basic and Diluted Loss Per Share (\$)
2016-March 31	(278,923)	(0.00)
2015-December 31	(1,705,403)	(0.01)
2015-September 30	(50,083)	(0.00)
2015-June 30	(738,680)	(0.00)
2015-March 31	(675,965)	(0.00)
2014-December 31	(3,226,562)	(0.01)
2014-September 30	(1,034,716)	(0.01)
2014-June 30	(606,328)	(0.00)

(*) U308 Corp. did not have any income (loss) before discontinued operations or extraordinary items for each period presented.

U308 Corp. is an advanced exploration company focused on defining mineral resources, establishing the economic viability of these deposits, and advancing them towards production. At this time, commodity market fluctuations have no direct impact on the Company's results or operations but influence the exploration approach based on the Company's ability to raise capital to advance its projects. The Company's policy is to expense its exploration costs. Having completed PEAs that confirm the low cash-cost of production potential of the Laguna Salada and Berlin deposits, further exploration has been minimized to conserve cash. Net cash used in operating activities was reduced to \$1.7 million in 2015 from \$4.2 million in 2014. Reduced spending relative to the prior year reflects efforts to spend as little cash as possible until share prices recover and funds can be raised at less dilutive rates.

The loss in Q1 2016 reflects efforts to conserve cash and reduce payables. Exploration and General and Administrative expenses of \$288,976 include non-cash amounts of \$23,454 for amortization and \$15,332 for stock based compensation. All management salaries in Q1 2016 were deferred.

The loss in Q4 2015 reflects non-cash write-offs of \$470,000 for impairment of the Company's SAS interest and a further \$69,822 of loans from SAS, due to weakness in oil prices. Work in SAS has ceased until crude oil prices improve.

The lower loss in Q3 2015 reflects debt forgiveness of \$396,451.

The Q4 2014 loss reflects a non-cash write-off of \$1,928,571 in the Company's non-core investment in Minexco as described above as well as \$92,892 in related receivables deemed to be uncollectable.

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Results of Operations for the Three Months Ended March 31, 2016

For Q1 2016, U3O8 Corp.'s net loss decreased to \$278,923 or \$0.00 loss per share (Q1 2015 – net loss of \$731,716 or \$0.00 loss per share). General and administrative and exploration costs were reduced in Q1 2016 through staff cuts and expenditure deferrals, principally due to cash conservation measures until equity markets improve.

A breakdown of exploration expenditures on U3O8 Corp's lead projects in Colombia, Argentina and Guyana for the three months ended March 31, 2016 and 2015 are set forth below:

Three Months Ended March 31, 2016	Berlin Project Colombia	Laguna Salada Project Argentina	Kurupung Project Guyana	Total
Administrative expense	\$ 3,391	\$ 25,089	\$ 6,000	\$ 34,480
Salaries and benefits	21,222	30,917	-	52,139
Total location costs	24,613	56,006	6,000	86,619
Total field costs	6,297	13,510	4,500	24,307
Tax accruals and payments	-	-	-	-
Stock-based compensation	3,625	3,203	216	7,044
Amortization	12,264	11,190	-	23,454
Total	\$ 46,799	\$ 83,909	\$ 10,716	\$ 141,424

Three Months Ended March 31, 2015	Berlin Project Colombia	Laguna Salada Project Argentina	Kurupung Project Guyana	Total
Administrative expense	59,212	74,460	5,621	139,293
Salaries and benefits	29,553	78,066	-	107,619
Total location costs	88,765	152,526	5,621	246,912
Total field costs	21,735	18,046	2,500	42,281
Severance	-	-	-	-
Tax accruals and payments	-	-	-	-
Stock-based compensation	15,703	12,703	939	29,345
Amortization	18,483	14,247	32,365	65,095
Total	144,686	197,522	41,425	383,633

Argentina exploration expenses in Q1 2016 of \$83,909 included non-cash amortization of \$11,190 and non-cash stock based compensation of \$3,203 (Q1 2015 - \$197,522, including amortization of \$14,247 and stock based compensation of \$12,703). The exploration agreement to partner with the Chubut provincial company in Argentina was signed in April 2015.

Colombia exploration expenses in Q1 2016 of \$46,799 included non-cash amortization of \$12,264 and non-cash stock based compensation of \$3,625 (Q1 2015 - \$144,686, including amortization of \$18,483 and stock based compensation of \$15,703). Further exploration continued to be on hold given ongoing uncertainty in the markets.

Guyana exploration expenses in Q1 2016 of \$10,716 included non-cash amortization of \$nil and non-cash stock based compensation of \$216 (Q1 2015 - \$41,425, including amortization of \$32,365 and stock based compensation of \$939). Further exploration continued to be on hold given ongoing uncertainty in the markets.

General and administrative ("G&A") expenses declined to \$147,552 in Q1 2016 (Q1 2015 – \$383,122) mainly due to ongoing cost-cutting measures, which include staff reductions. Professional fees were reduced in 2016 as the agreement with the Chubut provincial company was concluded and signed in April 2015. All salaries in Q1 2016 were deferred. Q1 2015 G&A costs included \$64,204 for deferral of salaries by senior management and director fees.

A foreign exchange loss of \$36,580 in Q1 2016 (Q1 2015 – gain of \$58,461) was due mostly to Argentine and Colombia peso and US Dollar exchange rate fluctuations. Interest income amounted to \$4,883 in Q1 2016 (Q1 2015 – \$678) due to timing of funds raised in the 2015 first quarter compared with the prior year period.

From our 38.9% equity share of SAS, we reported a \$nil loss in Q1 2016 (Q1 2015 – \$24,100). SAS was inactive during the first quarter of 2016. During 2015, of the Company's \$470,000 interest in SAS was deemed impaired, as

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was a further \$69,822 of loans from SAS, due to weakness in oil prices. These balances were expensed in Q4 2015. Work in SAS has ceased until crude oil prices improve.

Liquidity and Capital Resources

U308 Corp. is an exploration company that does not have operating revenues and therefore, it must utilize its current cash reserves, income from investments, funds obtained from the exercise of stock options and warrants and other financing transactions, to support planned exploration programs, to fund any further development activities and to meet ongoing obligations.

At March 31, 2016, total cash was \$20,100 (December 31, 2015 – \$205,703) and the working capital deficit was \$1,413,368 (December 31, 2015 – \$1,201,981 working capital deficit). The March 31, 2016 working capital deficit included accounts payable and accrued liabilities of \$1,470,322 (December 31, 2015 – \$1,480,763). Current liabilities at March 31, 2016 included approximately \$610,000 related to a wealth tax in Colombia, on which negotiations with the Colombian government are currently underway, and approximately \$175,000 for various accrued items which, in the opinion of Management, are unlikely to be enforced.

During 2016, U308 Corp. raised total gross proceeds of \$75,000 in a non-brokered private placement of 3,000,000 units as detailed in the following table. Each unit consists of one common share and one share purchase warrant. Broker warrants were also issued related to the cash proceeds, entitling the broker to purchase an additional common share.

Private Placement	No. of Shares	\$ Unit Price	Gross Proceeds	No. of Warrants	Warrant Price	Warrant Expiry
Mar. 2, 2016	3,000,000	\$ 0.025	\$ 75,000	3,000,000	\$ 0.030	Mar. 2, 2018
Mar. 2, 2016			-	180,000	\$ 0.030	Mar. 2, 2018

During 2015, U308 Corp. raised total gross proceeds of \$1,949,519 in a number of non-brokered private placements and shares for debt issuances, through the issue of an aggregate of 53,625,000 units and 8,352,350 shares as detailed in the following table. A total of \$1,615,425 of gross proceeds was raised for cash (net cash proceeds \$1,549,785) through the issuance of 53,625,000 units. Each unit consists of one common share and one share purchase warrant. Broker warrants were also issued related to the cash proceeds, entitling the broker to purchase an additional common share.

A further \$334,094 was applied against debts through the issuance of 8,352,350 shares.

Private Placement	No. of Shares	\$ Unit Price	Gross Proceeds	No. of Warrants	Warrant Price	Warrant Expiry
Feb. 18, 2015	7,545,000	\$ 0.040	\$ 301,800	7,545,000	\$ 0.060	Feb. 18, 2017
Feb. 23, 2015	475,000	\$ 0.040	\$ 19,000	475,000	\$ 0.060	Feb. 23, 2017
Feb. 18, 2015			-	115,200	\$ 0.040	Feb. 18, 2017
Feb. 23, 2015				115,200	\$ 0.040	Feb. 23, 2017
Mar. 6, 2015	2,500,000	\$ 0.035	\$ 87,500	2,500,000	\$ 0.050	Mar. 6, 2020
Mar. 6, 2015				150,000	\$ 0.040	Mar. 6, 2017
Mar. 27, 2015	3,000,000	\$ 0.035	\$ 105,000	3,000,000	\$ 0.050	Mar. 27, 2020
Mar. 27, 2015			-	180,000	\$ 0.050	Mar. 27, 2017
May 8, 2015	3,600,000	\$ 0.045	\$ 162,000	3,600,000	\$ 0.065	May 8, 2020
May 8, 2015			-	216,000	\$ 0.060	May 8, 2017
July 13, 2015	2,500,000	\$ 0.030	\$ 75,000	2,500,000	\$ 0.050	July 13, 2020
July 13, 2015			-	150,000	\$ 0.040	July 13, 2017
Sept. 3, 2015	3,000,000	\$ 0.030	\$ 90,000	3,000,000	\$ 0.050	Sept. 3, 2020
Sept. 3, 2015			-	180,000	\$ 0.050	Sept. 3, 2017
Sept. 27, 2015	8,352,350	\$ 0.040	\$ 334,094	-	-	-
Nov. 3, 2015	24,905,000	\$ 0.025	\$ 622,625	24,905,000	\$ 0.035	Nov. 3, 2018

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Private Placement	No. of Shares	\$ Unit Price	Gross Proceeds	No. of Warrants	Warrant Price	Warrant Expiry
Dec. 29, 2015	6,100,000	\$ 0.025	\$ 152,500	6,100,000	\$ 0.030	Dec. 29, 2017
Dec. 29, 2015			-	366,000	\$ 0.030	Dec. 29, 2017

The funds allowed the Company to fulfill key commitments on projects and to meet ongoing obligations in the normal course of business while completing a transaction for additional property in Argentina.

The following table summarizes the Company's material contractual obligations, which relate to office lease agreements in Canada, Colombia and Argentina expiring at various periods up to June 2017.

	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Facility leases	\$168,017	\$124,585	\$43,432	-	-
Total Obligations	\$168,017	\$124,585	\$43,432	-	-

As of the date of this MD&A, U3O8 Corp. has issued and outstanding 281,134,770 common shares, 102,023,033 warrants and 13,405,000 stock options. The full exercise of all warrants and options could raise approximately \$8.8 million. Exercise of these warrants and options is not anticipated until the market value of U3O8 Corp's common shares increases in value.

U3O8 Corp.'s credit and interest rate risk is limited to interest-bearing assets of cash and bank or government guaranteed investment vehicles. Accounts payable and accrued liabilities are short-term and non-interest bearing. The Company's liquidity risk with financial instruments is minimal as excess cash is invested with major Canadian chartered banks in government-backed securities or bank-backed guaranteed investment certificates. In addition, amounts receivable are composed mainly of federal Harmonized Sales Tax (Canada) recoveries, deposits with service providers and balances owing from related parties.

At March 31, 2016, U3O8 Corp. had \$20,100 in total cash. While the Company has been able to raise funds as needed, further financings will be required in 2016 to develop the Company's properties, to meet ongoing obligations and discharge its liabilities in the normal course of business. Long-term financial success requires that the Company develops operational cash flow, which is dependent upon economically recoverable reserves as well as funding to bring such reserves into production. Materially all of the Company's exploration activities are discretionary. Therefore, there is considerable flexibility in terms of the pace and timing of exploration and how expenditures have been, or may be, adjusted, limited or deferred subject to current capital resources and potential to raise further funds. The Company will continue ongoing cost containment initiatives and manage its expenditures essential to the viability of its material properties. However, U3O8 Corp. will require additional funds from equity sources to meet current liabilities, maintain momentum on its lead projects and to complete the development of its projects in Argentina, Colombia and Guyana, if warranted. The Company is currently pursuing multiple near-term and longer-term financing options including potential strategic investors and JV partnerships. There is no assurance that these funds can be raised upon terms acceptable to the Company or at all while funding for junior exploration companies remains very challenging. Accordingly, the Company's financial statements have been prepared on a going concern basis. Material adjustments could be required if the Company cannot obtain adequate financing. See "Risks Factors" below.

Related Party Transactions

U3O8 Corp. entered into the following transactions with related parties:

Three Months Ended March 31,	2015	2015
John Ross ⁽ⁱ⁾	\$ 7,500	\$ 15,000

(i) Chief Financial Officer ("CFO") fees expensed to a company controlled by the current CFO of the Company. At March 31, 2016, \$54,450 is included in amounts payable and other liabilities (December 31, 2015 - \$46,950).


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Remuneration of directors and key management of the Company was as follows.

Three Months Ended March 31,	2016	2015
Salaries and benefits ⁽ⁱ⁾	\$ 34,250	\$ 84,934
Stock-based compensation	\$ 6,709	\$ 37,298
Total	\$ 40,959	\$ 122,232

- (i) The Chief Executive Officer of the Company was owed \$99,668 at March 31, 2016 (December 31, 2015 - \$65,418). In addition, no further cash fees will be paid to directors until financial conditions improve. Members of the Board of Directors do not have employment or service contracts with the Company. They are entitled to director fees and are eligible for stock options for their services. As of March 31, 2015, directors of the Company were owed \$110,000 (December 31, 2014 - \$88,000). In addition, the CEO of the Company was owed \$207,378 (December 31, 2014 - \$170,174). These March 31, 2015 balances were settled in September 2015.

On March 1, 2014, the Company entered into a management services agreement with SAS where SAS would pay the Company a monthly fee of \$7,000 for shared office facilities and employee costs. The Company owns 38.9% of SAS which makes SAS a related party. As of December 31, 2015 and March 31, 2016, the Company and SAS have suspended the agreement until further notice.

At March 31, 2016, 26,645,037 common shares of the Company (December 31, 2015 - 26,645,037) (approximately 10% of shares outstanding) (December 31, 2015 - approximately 10% of shares outstanding) were held by Keith Barron, a director of the Company. In addition, 25,675,000 common shares of the Company (December 31, 2015 - 25,675,000) (approximately 9% of shares outstanding) (December 31, 2015 - approximately 9% of shares outstanding) were held by Delaware Street Capital Master Fund, L.P. The remaining 81% (December 31, 2015 - 81%) of the outstanding shares of the Company were widely held, except for 2,310,750 shares (December 31, 2015 - 2,310,750) held by the other directors and officers of the Company. These holdings can change at any time at the discretion of the owner.

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions of a material nature being considered by U308 Corp. at this time. However, the Company continues to evaluate properties and corporate opportunities on an ongoing basis.

Critical Accounting Estimates

Equity investment in associate

Since April, 2011, the Company has significant influence on SAS, but does not have control; this investment is accounted for using the equity method. Under the equity method, the investment is initially recorded at cost and the carrying value is adjusted thereafter, to reflect the Company's pro-rata share of post acquisition income or loss. The amount of adjustment is included in the determination of net income or loss of the Company, and the investment account of the Company is also increased or decreased to reflect the Company's share of capital transactions and changes in accounting policies. The carrying values of equity investments are regularly reviewed to ensure there is no impairment. When there is a loss in value other than a temporary decline, the investment is written down to recognize the loss.

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Significant accounting judgments and estimates

The preparation of the Company's audited annual consolidated financial statements requires Management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The Company's audited annual consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the audited annual consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that Management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, relate to, but are not limited to, the following:

- the recoverability of accounts receivable and value-added taxes receivable which are included in the consolidated statements of financial position;
- the Company reviews its South American property interests for impairment based on results to date and when events and changes in circumstances indicate that the carrying value of the assets may not be recoverable. IFRS 6 – Exploration for and evaluation of mineral resources and IAS 36 – Impairment of assets requires the Company to make certain judgments in respect of such events and changes in circumstances, and in assessing their impact on the valuations of the affected assets. The Company's assessment at March 31, 2016 and at December 31, 2015 is that the Argentina, Colombia, and Guyana properties have market values in excess of their carrying values;
- valuation of the Company's investment in Minexco;
- the estimated useful lives of property, plant and equipment which are included in the consolidated statement of financial position and the related depreciation included in profit or loss;
- the inputs used in accounting for share-based payment transactions, including warrants; and
- the valuation of the Company's investment in and loan receivable from SAS was deemed impaired in 2015 due to low oil prices which reduces the demand for frac sand in oil and gas production wells. The carrying value and amount receivable were deemed impaired and a full allowance was taken since timing of recovery and ability to raise capital are difficult for small companies such as SAS resulting in uncertainty of the recoverability of the carrying values of the Company's investment and loan receivable.

Critical accounting judgements

- Management assessment of going concern and uncertainties of the Company's ability to raise additional capital and/or obtain financing to advance the mineral properties;
- Management applied judgment in determining the functional currency of U308 Corp. as Canadian Dollars and the functional currency of its subsidiaries, based on the facts and circumstances that existed during the period;
- the determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by Management;
- Management determination of no material restoration, rehabilitation and environmental exposure, based on the facts and circumstances that existed during the period; and
- Management's determination of ability to exert significant influence over SAS.

New accounting policies

IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2015. As at January 1, 2015, the Company adopted this pronouncement and there was no material impact on the Company's financial position.

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New standards not yet adopted and interpretations issued but not yet effective

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in October 2010 and will replace IAS 39 - Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 will be effective for annual periods beginning on or after January 1, 2018. The Company is in the process of assessing the impact of this pronouncement.

Management of Capital

U308 Corp. manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out its defined exploration programs and to meet its ongoing administrative costs. The Company considers its capital to be equity, which comprises share capital, reserves and deficit, which at March 31, 2016, totalled \$9,282,290 (December 31, 2015 – \$9,517,131).

This capital management is achieved by the Board of Directors' review and acceptance of exploration budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other fundraisings.

The Company's capital management objectives, policies and processes have remained unchanged during the period ended March 31, 2016 and the years ended December 31, 2015 and 2014. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Section 710 of the TSX Company Manual which requires adequate working capital or financial resources such that, in the opinion of TSX, the listed issuer will be able to continue as a going concern. TSX will consider, among other things, the listed issuer's ability to meet its obligations as they come due, as well as its working capital position, quick asset position, total assets, capitalization, cash flow and earnings as well as accountants' or auditors' disclosures in financial statements regarding the listed issuer's ability to continue as a going concern. The TSX and/or the OTCQX may require the Company to undertake a consolidation of its stock in order to meet listing requirements. As of March 31, 2016 and December 31, 2015, the Company may not be compliant with this TSX requirement. The impact of this violation is not known and is ultimately dependent on the discretion of the TSX. See “Risk Factors” below.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the Company's size, is appropriate.

Internal Controls over Financial Reporting and Disclosure Controls and Procedures

There were no significant changes in the Company's internal controls over financial reporting and disclosure controls and procedures subsequent to December 31, 2015, being the date the CEO and CFO evaluated such internal controls, nor were there any significant deficiencies in the Company's internal controls identified requiring corrective actions.

The Company's Management, with the participation of its CEO and CFO, has evaluated the effectiveness of the Company's internal controls over financial reporting and disclosure controls and procedures. Based on that evaluation, the Company's CEO and CFO have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures and internal controls over financial reporting were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports that it files is recorded, processed, summarized and reported, within the appropriate time periods.

The Company's Management, including the CEO and the CFO, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost-effective system of internal

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controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

Financial Instruments

U3O8 Corp.'s activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and uranium price risk).

Risk management is carried out by Management with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. U3O8 Corp.'s credit risk is primarily attributable to cash and cash equivalents, accounts receivable, value-added taxes receivable and restricted cash. Cash and cash equivalents and restricted cash are held with major Canadian chartered banks, from which Management believes the risk of loss to be minimal.

Financial instruments included in accounts receivable consist of sales tax receivable from government authorities in Canada and deposits held with service providers. Amounts receivable are in good standing as of December 31, 2015. Management believes that the credit risk with respect to financial instruments included in accounts receivable is minimal.

Liquidity risk

Liquidity risk is the risk that U3O8 Corp. will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. Cash flow is primarily from the Company's financing activities. As at March 31, 2016, U3O8 Corp. had total cash of \$20,100 (December 31, 2015 - \$205,703) to settle current liabilities of \$1,470,322 (December 31, 2015 - \$1,482,763). Current liabilities included approximately \$610,000 related to Colombian taxes, of which the Company is engaged in discussions with the Colombian government, and approximately \$175,000 of accruals related to items which may not be enforced. All of its current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company will need to secure additional financing to meet its ongoing obligations and exploration. However, there is no assurance that it will be able to do so. See "Liquidity and Capital Resources" above.

Market risk**(a) Interest rate risk**

U3O8 Corp. has cash balances and no interest-bearing debt. Its current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

(b) Foreign currency risk

U3O8 Corp.'s functional and reporting currency is the Canadian Dollar and major purchases are transacted in Canadian Dollars. As of March 31, 2016, the Company funds certain operations, exploration and administrative expenses in Guyana, Colombia and Argentina on a cash call basis using US Dollar currency converted from its Canadian Dollar bank accounts held in Canada. The Company maintains US Dollar bank accounts in Canada, Barbados and Guyana, Guyanese Dollar bank accounts in Guyana, Colombian Peso accounts in Colombia and Argentina Peso accounts in Argentina. U3O8 Corp. is subject to gains and losses from fluctuations in the US Dollar, Guyanese Dollar, the Colombian Peso and the Argentina Peso against the Canadian Dollar.

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(c) Price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

The Company's long-term investment in Minexco is subject to fair value fluctuations arising from changes in the equity and commodity markets.

(d) Commodity uranium price risk

U3O8 Corp. is exposed to price risk with respect to uranium commodity prices. Commodity uranium price risk is defined as the potential adverse impact on earnings due to uranium price movements and volatility. The Company closely monitors uranium prices to determine the appropriate course of action to be taken in terms of exploration expenditures and to ensure that its focus is on projects that have potential cost production profiles consistent with the longer-term price projections related to forecast demand and supply.

Uranium prices have been volatile with the spot price peaking at US\$136/lb U₃O₈ in mid 2007, then retreating to a US\$40 low during the financial crisis in 2008 and continuing in the low US\$40s until mid 2010, when prices started to rise in response to a recognition of the growing demand for uranium to fuel escalating nuclear energy programs around the world. The accident in Japan in mid-March 2011 has resulted in a pull-back in uranium prices. The uranium spot price has recovered from its low of US\$28/lb in June 2014 to about US\$40/lb, followed by a further price decline to US\$28/lb.

Sensitivity analysis

The sensitivity analysis shown below may differ materially from actual results. Based on Management's knowledge and experience of the financial markets, we believe the following movements are "reasonably possible" over a 12-month period:

- (i) Cash and cash equivalents are subject to floating interest rates. Sensitivity to a plus or minus 1% change in interest rates would affect the reported loss and comprehensive loss by approximately \$2,700.
- (ii) The Company holds balances in foreign currencies which could give rise to exposure to foreign exchange risk. Sensitivity to a plus or minus 10% change in foreign exchange rate against the Canadian Dollar would affect the reported loss and comprehensive loss by approximately \$121,000.
- (iii) Uranium and related mineral price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of uranium and related minerals. Uranium prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of uranium may be produced in the future, a profitable market will exist for them. As of March 31, 2016, the Company was not a uranium or related mineral producer. As a result, uranium and related mineral price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Share Capital

At March 31, 2016, U3O8 Corp. had 275,035,127 issued and outstanding common shares, 98,366,033 warrants and 14,590,000 stock options outstanding, each exercisable to acquire one common share, for 387,991,160 common shares outstanding on a fully diluted basis.

Changes to Auditor

In 2015, KPMG LLP was replaced by Davidson and Company, LLP.

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Diversity Policy

In accordance with items 10-15 of Form 58-101F1 *Corporate Governance Disclosure*, the Company is required to provide disclosure of its gender diversity practices.

Policies Regarding the Representation of Women on the Board

The members of U3O8 Corp's Board have diverse backgrounds and expertise and were selected on the belief that the Corporation and its stakeholders would benefit from such a broad range of talent and experience. The Board considers merit as the key requirement for board appointments. The Corporation has not adopted a written diversity policy and has sought to attract and maintain diversity at the Board level informally through the recruitment efforts of Management in discussion with Directors prior to proposing nominees to the Compensation, Corporate Governance and Nominating Committee (the "Corporate Governance Committee") and to the Board as a whole for consideration.

Consideration of the Representation of Women on the Board and in Executive Officer Appointments

In identifying suitable Board nominees or in selecting and assessing candidates for executive positions, candidates will be considered on merit against objective criteria regarding business experience, skill sets, competencies, technical expertise, sector specific knowledge and with due regard for the benefit of diversity including the level of representation of women in these capacities. As the need for new directors or executive officers arises, the Corporate Governance Committee assesses candidates on the basis of industry experience and business acumen with specific knowledge of mineral exploration and development or other areas (such as finance, South American market experience) as desired at that particular time by the Corporation, the Board and its committees. Board candidates are also evaluated against the area of expertise of existing members so new appointments may contribute to expanding the Board's breadth of experience.

Company's Targets for Women on the Board and in Executive Officer Positions

Presently, none of the Corporation's directors are female. One of the six (17%) executive officers of the Corporation and of its major subsidiaries is female. Diversity including gender, age, nationality, cultural and educational background, business knowledge and other experience, are among the factors that the Corporate Governance Committee considers in identifying and selecting candidates for the Board and executive positions. For example, with the majority of the Corporation's operations located in South America, four of the six (67%) executive officers are South American, as is one of the board members (17%). Taken together, these diverse skills and backgrounds help to create a business environment that encourages a range of perspectives in which all employees and directors are treated with fairness and respect, and have equal access to opportunities for advancement based on skills and aptitude. As a result, the Corporation has not adopted targets based on any specific area of diversity and does not set targets for women on the Board or in executive officer positions.

Risk Factors

An investment in the securities of U3O8 Corp. is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors described below, which have affected, and which in the future are reasonably expected to affect, the Company, its financial position or the trading price of its common shares. Refer to the section entitled "Risk Factors" in the Company's MD&A for the year ended December 31, 2015 on U3O8 Corp's web site at www.u3o8corp.com and on SEDAR at www.sedar.com. There have been no significant changes to such risk factors since that date other than as discussed herein.

Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future

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events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-Looking Statements	Assumptions	Risk Factors
Potential of U308 Corp.'s properties to contain economic deposits, to become near-term and/or low-cost producers and to add to its existing resource base (including the potential of the Berlin Project to generate US\$2.8 billion in revenue) (see Highlights, Overview, Outlook, Priority Exploration Projects, Results of Operations and Summary of Quarterly Results)	<p>Availability of financing for the Company's projects.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Technical reports prepared in accordance with NI 43-101 including assumptions in the PEAs on the Berlin and Laguna Salada deposit are correct and comprehensive.</p> <p>Operating, exploration and development costs will be consistent with the Company's expectations.</p> <p>Ability to retain and attract skilled staff.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U308 Corp. including development of the Argentine deposit in compliance with Chubut Provincial mining law.</p> <p>Social engagement and local acceptance of the Company's projects.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility that future exploration results, metallurgical test work, economic studies and development activities will not be consistent with the Company's expectations.</p> <p>Variations from the technical reports including assumptions in the Berlin and Laguna Salada PEAs.</p> <p>Inability to replicate laboratory and other smaller scale test results on a larger scale.</p> <p>Inability to attract and retain skilled staff.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Delays in obtaining applicable permits or unavailability of permits.</p> <p>Price volatility of uranium and related commodities impacting the economics of the Company's projects.</p> <p>Changes in Argentina's proposed usage and availability of nuclear power.</p>
Potential to increase uranium grades by 7 and 11 times in the two different sectors of the Laguna Salada Deposit by screening (see Overview, and Priority Exploration Projects)	Results from previous small scale metallurgical test work can be replicated on a larger scale.	Inability to replicate laboratory and other smaller scale test results on a larger scale.
Potential JV with Petrominera and resource potential on its concessions (see Highlights, Outlook and Priority Exploration Projects)	Resource potential on Petrominera's properties will be defined as anticipated towards forming a JV for further expansion of the Laguna Salada Project.	Possibility that resources are not defined and the associated JV will not be formed.
Uranium and a suite of other commodities of	Results from previous small scale metallurgical test work conducted in multiple labs can be	Inability to replicate laboratory and other smaller scale test results on a larger scale.

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Forward-Looking Statements	Assumptions	Risk Factors
economic interest at Berlin can be extracted using a ferric iron leach method (see Priority Exploration Projects)	<p>replicated on a larger scale.</p> <p>Test results from samples from 35% of the drill hole intercepts throughout the initial resource area are representative of the whole.</p>	Test results from samples from 35% of the drill hole intercepts throughout the initial resource area prove not to be adequately representative of the whole.
By-product revenues at Berlin could pay for extraction of the uranium and make Berlin a potential low - cash cost uranium producer (see Outlook and Priority Exploration Projects)	<p>Assumptions in the Berlin PEA are correct and comprehensive.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U3O8 Corp.</p> <p>Economic, political and industry market conditions will be favourable, including without limitation, the prices for applicable by-products.</p>	<p>Price volatility of uranium and other commodities associated with the Company's deposits impacting the economics of our projects.</p> <p>Variations from the assumptions in the Berlin PEA.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Increases in costs, environmental compliance and changes in environmental, other local legislation and regulation and the political and economic climate.</p> <p>Delays in obtaining applicable permits or unavailability of permits.</p>
Potential for higher returns than as set out in the Berlin and Laguna Salada PEAs (see Outlook and Priority Exploration Projects)	<p>Incorporating results from further metallurgical test work will contribute to reducing operating costs and increasing revenue.</p> <p>Economies of scale will be realized as anticipated.</p> <p>Increases in resource estimates.</p>	<p>Possibility of incorporating metallurgical test results will not have the effect of reducing operating costs and increasing revenue.</p> <p>Inability to achieve economies of scale and increase resource estimates.</p>
Potential to expand mineral resources defined in compliance with NI 43-101 on U3O8 Corp.'s existing projects and achieve its growth targets (see Overview, Outlook and Priority Exploration Projects)	<p>Availability of financing.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>NI 43-101 technical reports are correct and comprehensive.</p> <p>Operating, exploration and development costs will be consistent with the Company's expectations.</p> <p>Ability to retain and attract skilled staff.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U3O8 Corp.</p> <p>Social engagement and local acceptance of the Company's projects.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Variations from the technical reports.</p> <p>Inability to attract and retain skilled staff.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Delays in obtaining applicable permits or unavailability of permits.</p> <p>Price volatility of uranium and other associated commodities impacting the economics of our projects.</p>
Inability to meet minimum operating commitments could impair exploration rights (see Results of Operations and Liquidity and Capital Resources)	<p>Operating and exploration activities and associated costs will be consistent with current expectations.</p> <p>The Company will continue to operate, realize its assets and meet its liabilities in the normal course of business.</p> <p>Capital markets and financing opportunities are favourable to U3O8 Corp.</p>	<p>Volatility in the capital markets impacting availability and timing of financings on acceptable terms and value and liquidity of investments may affect the Company's ability to obtain funding to continue as a going concern.</p> <p>Increases in costs, environmental compliance and changes in environmental, other local legislation and regulation.</p> <p>Adjustments to currently proposed operating and</p>

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Forward-Looking Statements	Assumptions	Risk Factors
	Sale of any investments, if warranted, on acceptable terms.	<p>exploration activities and costs.</p> <p>Price volatility of uranium and other commodities impacting sentiment for investment in the resource markets.</p>
Plans, costs, timing and capital for future exploration and development of U308 Corp.'s properties including the potential impact of complying with existing and proposed laws and regulations (see Highlights, Overview, Outlook and Priority Exploration Projects)	<p>Availability of financing.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Operating, exploration and development costs will be consistent with our expectations.</p> <p>Ability to retain and attract skilled staff.</p> <p>All requisite regulatory and governmental approvals will be received on a timely basis on acceptable terms including developing the Argentine deposit in compliance with Chubut Provincial mining law.</p> <p>Economic, political and industry market conditions will be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Uncertainties involved in interpreting geological data and confirming title to acquired properties.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Inability to attract and retain skilled staff.</p> <p>Increases in costs, environmental compliance and changes in environmental, local legislation and regulation, community support and the political and economic climate.</p> <p>Delays in obtaining applicable permits or unavailability of permits.</p> <p>Price volatility of uranium and other commodities impacting our projects' economics.</p>
Management's outlook regarding future trends (see Overview, Outlook, and Priority Exploration Projects)	<p>Availability of financing.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and development activities will be favourable.</p> <p>Prices for uranium and other commodities will be as modeled in the PEAs.</p> <p>Government regulation in Chubut Province will support development of our Argentine deposit.</p> <p>Fundamentals of the uranium market continue to be favourable.</p>	<p>Changes in the capital markets impacting availability of future financings.</p> <p>Price volatility of uranium and other commodities impacting the economics of our projects, appetite for investing in uranium equities and growth in the nuclear industry.</p> <p>Possibility of future exploration results, metallurgical test work, economic studies and development activities will not be consistent with our expectations.</p> <p>Increases in costs, environmental compliance and changes in economic, political and industry market climate.</p>

Inherent in forward-looking statements are risks, uncertainties and other factors beyond U308 Corp.'s ability to predict or control. Please also make reference to those risk factors listed in the "Risk Factors" section above. Readers are cautioned that the above chart is not exhaustive of the factors that may affect the forward-looking statements, and that the underlying assumptions may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause U308 Corp.'s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.



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Additional Information

Additional information relating to U3O8 Corp., including its Annual Information Form for the year ended December 31, 2015, is available on SEDAR at www.sedar.com.