

A Green Resources Company



MANAGEMENT'S DISCUSSION AND ANALYSIS

U308 CORP.

QUARTER ENDED MARCH 31, 2017

Prepared by:

U308 Corp.

401 Bay Street, Suite 2702
Toronto, Ontario
M5H 2Y4

www.u308corp.com

Introduction

This Management's Discussion and Analysis ("MD&A") is dated May 11, 2017, unless otherwise indicated, and should be read in conjunction with the unaudited condensed interim consolidated financial statements of U308 Corp. ("U308 Corp.", "the Company") for the three months ended March 31, 2017 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, 2017, 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 the three months ended March 31, 2017. Information about U308 Corp., its minerals resources and technical reports prepared in accordance with National Instrument 43-101 ("NI 43-101") are available at www.u308corp.com or on SEDAR at www.sedar.com.

Summary

The Company is firmly focused on advancing only projects that have an estimated cash cost of production competitive with low-cost producers in the uranium industry. This focus stems from the observation that resource companies that meet this criterion are best equipped to successfully navigate cyclical lows in the industry, while capturing disproportionate gains in cyclical upswings.

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 on the deposits in Argentina and Colombia. The PEAs showed that the deposits passed Management's crucial first test: that uranium would be produced at a cost that's competitive with low-cost producers in the uranium industry.

The Laguna Salada Deposit in Argentina is the Corporation's top-ranked project because of its simplicity, relatively low cash cost of production and relatively low capital cost for construction of the mine and processing plant, and also because Argentina constitutes an immediate potential market for part of the future uranium production from the Deposit. Argentina requires nuclear fuel for two programs: the first is for its fleet of large reactors, of which three are in production and construction is scheduled to start on a 4th reactor later this year and a 5th in 2019. The second program is their CAREM 25 small modular reactor ("SMR"), which is one of only three prototypes under construction around the world, and the Argentines plan to use their lead position to capture between 10% and 20% of the international SMR market. The intention is reported to be to provide a turn-key service that includes design, construction, fuel rod manufacture and storage of used fuel; the only part of this service that is missing is uranium production, and Laguna Salada is the only deposit that, to the knowledge of Management, has a NI 43-101 resource estimate and PEA in Argentina.

The PEA defined three priorities for driving down estimated production costs in the Laguna Salada Deposit:

- The inverse relationship between high uranium grade and low production cost estimates spurred on the search for relatively high-grade gravels as the key to driving production cost estimates down;

¹ PEAs – See the September 18, 2014 technical report: "Preliminary Economic Assessment of the Laguna Salada Uranium Vanadium Deposit, Chubut Province, Argentina." 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 results of the Laguna Salada and Berlin PEAs will be realized.

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- The second priority is test work on a beneficiation process that has proved effective in concentrating very fine-grained uranium that is adhered to grains in an unconsolidated sand-hosted deposit in Namibia. Current results included in the PEA are that 82% of the uranium's gravel was concentrated in fine-grained material that constitutes 12% of the gravel's original mass – and the aim is to concentrate the uranium into a smaller mass; and
- The economics of the Deposit are geared to resource size, and resource growth into adjacent areas in which exploration has already identified extensions to the Deposit, is therefore the third priority for the Project.

Under the current challenging market conditions, in which the spot price of uranium is lower than the production cost of many mines and development projects, the Company has prioritized the advancement of the Laguna Salada Project in Argentina towards a pre-feasibility ("PFS") or feasibility study ("FS") due to the project's relatively low estimated operating cost ('opex"), capital cost ("capex"), short timeline to potential production and Argentina's desire to ensure security of supply through local uranium production.

U308 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. Funds raised in the last three years have therefore been focused on Laguna Salada with expenditure in Colombia being restricted to keeping the concessions in good standing. The Company's board of directors ("Board") determined that the Berlin Project should be written down, as of December 31, 2016, in accordance with IFRS guidelines. The Project remains in good standing and will be advanced when funds are available. The priority for the Berlin Project is metallurgical test work that would incorporate a flotation circuit to beneficiate the mineralized rock, followed by acidic ferric leach, which has proven to be an extremely efficient means of dissolving the desirable minerals from the mineralized rock, and subsequent extraction of the individual metals and phosphate via a sequence of paired membranes. Indications are that, if this test work is positive, it should result in a significant reduction in both opex and capex. Although the PEA shows that a larger resource is positive for the Project's economics, resource expansion is unlikely to have as large an opex reduction impact as changes to the flow sheet that would result from successful pilot plant work.

Minimizing exploration expenditures on the Berlin Deposit resulted in Management's review of the Deposit for impairment under IFRS. Due to less than optimal exploration spending over the previous three year period, limited funds and the low uranium price, Management determined that an impairment provision should be taken against the Deposit at December 31, 2016. The Company has also taken a provision against Colombian taxes in accounts payable. Management continues to believe that Berlin holds significant value and that the Company will realise the value in future periods.

Internal analysis of the economics of the deposit in Guyana has led Management to conclude that the project would not meet its low production cost criterion based on uranium alone. The Project is therefore on hold while the Company investigates ways of reducing internally estimated opex through test work on the extraction of zirconium, for example. One of zirconium's principal uses is for control rods in nuclear reactors, and hence its inclusion in U308 Corp.'s portfolio would be consistent with the Company's clean energy focus.

In Q1, 2017, the Company announced that it had staked the old Niquelina Mine, a past small producer of uranium, cobalt and nickel in Salta province of northern Argentina. The vein system at Niquelina provides exploration potential for uranium, as well as adding cobalt to the battery commodity portfolio.

In 2016, the Company incurred cumulative cash exploration expenditures of \$0.7 million (excluding stock-based compensation, severances, taxes and amortization), largely to maintain the Argentine and Colombian properties in good standing. This expenditure decreased from \$1.0 million in 2015 as exploration continued to be deferred to preserve cash. Cash has been conserved by limiting exploration activities to the Argentine Project. The Argentine government has reiterated its support for production from local uranium deposits and the Company's Laguna Salada Project is, to the knowledge of Management, the only deposit in Argentina on which a preliminary economic assessment has been

completed in accordance with NI 43-101. Demand for uranium in Argentina is likely to increase since the government has reaffirmed its commitment to the construction of the country's 4th and 5th nuclear power plants. The Argentine-designed CAREM-25 small modular reactor ("SMR") is one of only three that are under construction around the world and the Argentine government has stated that it intends to use this market lead to supply 10% to 20% of the world's SMR market – a market that is estimated to grow to US\$400 billion by 2030-2035. Argentina could potentially market a complete package that includes reactor design, construction, supply of fabricated fuel rods, and management of the spent reactor fuel. Argentine companies have the capacity to undertake all of these roles with the exception of locally produced uranium, which creates an opportunity for U3O8 Corp. to fill that gap through the development of its Laguna Salada Deposit.

At December 31, 2016, the Company had \$124,387 in cash ("total cash") (December 31, 2015 – \$205,703) and a working capital deficit of \$849,072 (December 31, 2015 – working capital deficit of \$1,201,981). Subsequent to the year end, the Company raised aggregate gross proceeds of \$415,000 via two private placements, \$105,000 through the exercise of 3,330,000 warrants, and \$14,000 through the exercise of 400,000 stock options.

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

Overview

U3O8 Corp. is a Toronto-based exploration company focused on exploration and development of resources of uranium and battery commodities 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 low production cost potential. A third asset is the Kurupung Project in Guyana on which an initial uranium resource has been defined in accordance with NI 43-101, on which a PEA has not been undertaken. The Company has also recently staked the old Niquelina Mine in Salta province of Argentina for its uranium as well as its cobalt and nickel potential. To date, the Company has not earned any revenues from its exploration for uranium and battery commodities.

Principal Assets

U3O8 Corp. has exploration concessions in Argentina, Colombia and Guyana in South America that cover three deposits:

1. Laguna Salada Deposit, a uranium-vanadium deposit in free-digging gravel in Argentina;
2. Berlin Deposit, 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 and zirconium is concentrated in veins, in Guyana.

The Company also has a 38.9% interest 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 – the principal target market for which would be the giant Vaca Muerta oil and gas shale in Argentina.

Uranium Resources²

U308 Corp. has uranium resources that were estimated in compliance with NI 43-101 in Argentina, Colombia and Guyana (Table 1). Uranium resources in all three deposits are open along strike and exploration drilling adjacent to each of the deposits shows significant resource growth potential.

Table 1. U308 Corp. uranium resource summary.

Deposit	Mineral Resource	Tonnes (million)	Grade U ₃ O ₈	U ₃ O ₈ lbs (million)
Laguna Salada ³ (Argentina)	Indicated	47.3	60ppm	6.3
	Inferred	20.8	85ppm	3.8
Berlin Project (Colombia)	Indicated	0.6	0.11%	1.5
	Inferred	8.1	0.11%	19.9
Kurupung Project (Guyana)	Indicated	4.1	0.09%	8.4
	Inferred	4.3	0.08%	7.7

Battery Commodity Resources⁴

The Company's Berlin and Laguna Salada deposits contain a basket of battery commodities including vanadium, nickel and phosphate (Table 2):

- Vanadium resources have been defined in both the Laguna Salada and Berlin deposits. Over 90% of vanadium demand is from the steel alloy industry since adding just 2 pounds of vanadium to a tonne of steel doubles its strength. Demand is growing with the battery industry consuming 6% of world vanadium supply in 2016 forecast to grow to 25% in 2020. Demand is principally from vanadium redox flow batteries ("VRB") and certain types of lithium ion batteries such as the lithium ion vanadium phosphate ("LVP") type, which is the choice of Subaru for its electric vehicles;
- The Berlin Deposit contains nickel that is a critical component of two types of lithium ion batteries, lithium-nickel-manganese-cobalt ("NMC") and lithium-nickel-cobalt-aluminium oxide ("NCA") batteries. NMC batteries are used in electric vehicles produced by Nissan, GM and BMW. NCA is the battery of choice of Tesla-Panasonic; and
- Phosphate, found in the Berlin Deposit, is principally used in agricultural fertilizer, but is being increasingly used in the battery industry. In lithium ion batteries, phosphate provides thermal stability that enhances their safety characteristics. Lithium iron phosphate ("LFP") batteries are manufactured by Chinese battery manufacturer BYD for their electric bus and truck models and LVP batteries.

During Q1, 2017, U308 Corp. announced that it had staked the old Niquelina Mine in Salta province of Argentina. The mine had a small production of uranium, cobalt and nickel. The inclusion of the mine and adjacent area provides U308 Corp. with potential to add cobalt to its battery commodity portfolio.

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 U308 Corp."

³ Laguna Salada – uranium 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.

⁴ Laguna Salada – see May 20, 2011: "Laguna Salada Project, Chubut Province, Argentina, NI 43-101 Technical Report on Laguna Salada: Initial Resource Estimate" and Berlin Project – see March 2, 2012: "Berlin Project, Colombia – National Instrument NI 43-101 Report".

Table 2. U308 Corp. battery commodity resource summary.

Deposit	Mineral Resource	Tonnes (million)	Vanadium		Nickel		Phosphate	
			Grade V ₂ O ₅	V ₂ O ₅ (Mlbs)	Grade	Million pounds	Grade P ₂ O ₅	P ₂ O ₅ tonnes
Laguna Salada ⁵ (Argentina)	Indicated	47.3	550ppm	57.1	-	-	-	--
	Inferred	20.8	590ppm	26.9	-	-	-	--
Berlin Project (Colombia)	Indicated	0.6	0.4%	6.0	0.2%	3.1	8.4%	50,000
	Inferred	8.1	0.5%	91.0	0.2%	42.1	9.4%	800,000

Rare Earth Element Resources⁶

The Berlin Deposit also contains Rare Earth Elements ("REE") that are key metals in the electronics and high tech industries (Table 3). The extraction of REEs can be complex and costly in many deposits. In the Berlin Deposit, the REEs occur in phosphate minerals that dissolve in the acidic ferric leach along with other phosphate minerals, uranium, vanadium, nickel and base metals. The only REEs included in the cash flow model in the PEA were yttrium and neodymium, but other REEs are present at reasonable concentrations and indications are that they could be extracted from the deposit, thereby potentially contributing to cash flow.

The Deposit also contains rhenium which is used in alloys for steels designed for extreme temperature applications such as in jet engines.

Table 3. U308 Corp. Rare Earth Element & speciality metal resource summary.

Deposit	Mineral Resource	Millions of Tonnes	Yttrium		Neodymium		Rhenium	
			Grade Y ₂ O ₅	Y ₂ O ₃ Tonnes	Grade Nd ₂ O ₃	Nd ₂ O ₃ (Tonnes)	Grade	Tonnes
Berlin Project (Colombia)	Indicated	0.6	460ppm	290	110ppm	70	6ppm	4
	Inferred	8.1	500ppm	4,100	100ppm	810	7ppm	55

Trends⁷

The Company's financial success depends largely on the extent to which it can demonstrate the economic viability of its uranium and battery commodity deposits. PEAs on Laguna Salada and Berlin show that both deposits have potential to be low-cost producers. A note of caution is that the PEAs on the Berlin and Laguna Salada deposits are based on Inferred and Indicated resources in which the continuity of mineralization between relatively widely spaced trenches and bore holes is inferred. Inferred and Indicated resources are converted to Measured resources on the basis of closer-spaced trenching and or drilling that gives a higher level of confidence to the continuity of mineralization between know points. Pre-feasibility and feasibility studies can only be based on Measured and Indicated resources,

⁵ Laguna Salada – The Laguna Salada PEA shows that vanadium grades can be increased by 4 times the in situ grade by scrubbing and screening.

⁶ Berlin Project – see March 2, 2012: "Berlin Project, Colombia – National Instrument NI 43-101 Report".

⁷ Sources include: World Nuclear Association, World Nuclear News, Bloomberg, Dundee Capital Markets, Cantor Fitzgerald, Raymond James, Ux Consulting.

and only that portion of resources that can be economically extracted can be categorized as reserves. Hence, the PEAs represent the first step in defining the economic characteristics of the Berlin and Laguna Salada deposits. While the PEAs have estimated favourable economics and demonstrate that the Berlin and Laguna Salada deposits should be relatively low cost uranium producers, these financial results require confirmation in pre-feasibility and feasibility studies as the projects are advanced in a logical, step-wise manner.

The Company, to date, has not produced any revenues. The sales value of any mineralization discovered by U308 Corp. is principally dependent upon factors beyond the Company's control, such as the market value of the commodities produced.

The Fukushima accident in Japan in 2011 was a watershed event for the industry, in the wake of which Japan shut down its entire fleet of 54 reactors. The shut-down of these reactors has led to the buildup of a uranium stockpile, estimated to be approaching a full year's supply of mined uranium, as a result of the utility companies that own the reactors being contractually obliged to continue to receive uranium shipments. The possible threat that part of this inventory could be dumped on the market has depressed uranium prices, although it should be noted that the uranium delivered to Japan is in fuel rods whose design is specific to the reactors types and these rods would need to be re-fabricated for the contained uranium to be used in other power plants. Uranium prices on the spot market fell to a low of US\$18 per pound ("lb") in late 2016 and it has since recovered to approximately \$25/lb.

In July 2013, Japan's Nuclear Regulatory Authority ("NRA") formulated new safety guidelines to be met or exceeded before the restart of any nuclear facility. Some reactors, including those damaged at Fukushima and others that are deemed to be too close to active geological faults, have been permanently shut down. Of the 42 remaining operable reactors, formal requests have been made to the NRA for the restart of 24, and permission for restart has been granted for 10 reactors. Two reactors were restarted in late 2015 and Cantor Fitzgerald's uranium analyst expects a total of 37 to be restarted by 2020.

There was a net increase in the number of operable reactors world-wide with 10 new reactors coming on stream and three being shut down in 2016 for a net increase of 9 gigawatts ("GW") of power from nuclear. At this time there are 508 reactors that are operable and under construction, the same number as immediately prior to the Fukushima incident (Table 4). Both China and India have recently made announcements that they intend to accelerate their reactor build programs. In addition, life extensions of between 10 and 30 years have been granted for 157 of the operable reactors.

Table 4. Summary of worldwide nuclear power plant statistics.

Period	Operable	Under Construction	Total Operable & Under Construction	Planned	Total
Pre-Fukushima	443	62	505	156	661
March 2017	449	60	509	166	675

The WNA expects 21 reactors to come on-line in 2017, followed by 10 in 2018 and a further 12 in 2019. The associated estimated uranium demand was 189Mlbs in 2016 which was approximately 10% less than supply from mines and secondary sources, including underfeeding. With the current reactor build, demand is forecast to increase to 204Mlbs in 2019 and the market to slip into deficit in 2020/2021.

China, India and Russia account for about 59% of the reactors that are planned or proposed. China is expected to triple its nuclear electricity capacity to 58GWe by 2020, accelerating to an estimated 150GWe by 2030. China is committed to nuclear as a safe source of clean, low-carbon, base-load electricity.

India plans to have 31GWe of installed nuclear capacity by 2025, 63MWe by 2032 and 273MWe by 2050 - constituting potential exponential growth.

US, Canadian and British regulators are working closely with companies that are developing and iteratively testing Small Modular Reactors ("SMR") designs. Most SMRs draw on technology that has been used to power nuclear submarines and ships since the 1950's. SMRs are expected to have significantly lower up-front unit costs than large-scale nuclear generators because the SMRs can be built at a central facility in an assembly-line environment, before being shipped to site by rail or truck. SMRs have the potential to supply reliable, base-load, low-carbon electricity to remote sites without the added cost of regional high tension transmission lines required to link the site to a regional electricity grid. Argentina is one of three countries to begin actual construction of a SMR: construction started in 2014 on a 25MWe CAREM 25 reactor, which Saudi Arabia is reported to be considering for major desalination projects.

Cantor Fitzgerald estimates that most uranium is being produced at close to break-even costs at current market prices and, if all-in sustaining costs are included, most operations are losing money at current prices. Cantor Fitzgerald estimates that a price of approximately US\$70/lb is required to incentivize producers to bring production online. In the meantime, the world's biggest uranium producer, Kazakhstan, has cut production by 5.2Mlbs. Although this represents a reduction of only approximately 3% of world uranium supply, it is a notable development that a country which has apparently never been concerned about the uranium market is suddenly taking steps to limit uranium supply. Subsequently, the US Department of Energy has announced that it will cut its sales of uranium from strategic stockpiles from 5.5Mlbs equivalent per year by 2Mlbs in 2017 and 3.1Mlbs in 2018.

The change in government in Argentina in December 2015 resulted in a major policy shift from currency restrictions and an anti-foreign investment strategy changing to an open, free market and business-friendly approach. Since taking office, the government has relaxed exchange controls, let the peso float freely and has done away with export taxes on mining and agricultural products. Government incentives should stimulate investment by oil majors in the Vaca Muerta shale oil and gas basin in Argentina.

Argentina's government demonstrated its commitment to nuclear as a key component of its energy mix by continuing to add to its nuclear fleet. Argentina's third reactor reached full power on February 17, 2015. However, the Embalse reactor was taken offline at about the same time for refurbishment for a 25 year life extension and a 6% power up-rating. When the Embalse plant comes back online in 2018, nuclear will provide approximately 9% of the country's electricity needs. Argentina's government ratified a contract with China to build a 4th reactor, a CANDU plant of Canadian design that uses similar technology to Argentina's Embalse reactor that runs on natural uranium fuel.

Although U308 Corp. has raised funds throughout 2016 and in Q1, 2017, to continue to advance its projects, current trends in the financial and commodity markets may limit the Company's ability to develop and/or further explore its assets in Colombia, Argentina and Guyana. U308 Corp.'s management ("Management") constantly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in short-term operating and longer-term strategic decisions. See "Risk Factors" below.

Outlook

Current challenging commodity markets have forced the Company to focus expenditure on its top-ranked project, the Laguna Salada Deposit, while minimizing expenditure on the other projects until the resource market recovers and capital is accessible at less dilutive levels than those available at present. The uranium market is forecast to enter a long and sustained supply deficit in 2020/2021. Since nuclear utility companies typically maintain a three-year inventory of nuclear fuel on site, and the fact that it typically takes a year to 18 months for yellowcake produced at a mine to be enriched and fabricated into fuel rods,

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demand is expected to tighten in the short-term. In addition, demand for battery commodities is starting to grow apace which has led to sharp increases in vanadium and cobalt prices in the last year.

Given the Company's focus on conserving cash, Management's current project ranking is as follows:

1. The Laguna Salada Deposit has low production cost potential, relatively low capital cost estimate (US\$136 million) for mine construction, is technically simple to mine and process, and has potential to be permitted in a relatively short time frame. Components of the plant were priced out of Australia and Brazil, whose currencies have devalued relative to the US Dollar, to the extent that the estimated capital cost could decrease by 10%-15%;
2. The Berlin Deposit would be mined by underground methods that are more complex than those of Laguna Salada, and due to the multi-commodity nature of the deposit, the capex estimate for the processing plant is relatively high at US\$441 million. For these reasons the Berlin Deposit is ranked behind Laguna Salada; and
3. The Kurupung Deposit in which uranium and zirconium is concentrated in veins. Management's internal estimate of production cost suggests that the deposit is unlikely to meet the Company's low production cost target. The Company continues to evaluate extraction and processing techniques that could reduce estimated opex with potential to reduce potential production costs.

At March 31, 2017, U308 Corp. had \$219,489 in cash. Subsequent to the year end, a further \$152,500 was raised via a private placement and \$20,475 was raised from the exercise of stock options. Additional funds will be required to advance the Company's lead projects. There is no assurance that required funds can be raised upon terms acceptable to the Company, or at all.

U308 Corp.'s performance is likely to be tied to:

- Advancing the Laguna Salada Deposit towards production on the back of additional relatively high-grade gravels, test work on alternative beneficiation techniques that should augment the efficiency of those described in the PEA and subsequent pilot plant test work;
- Greater international acceptance of Argentina as a viable investment destination in recognition of the initiatives adopted by the government under President Macri and its commitment to nuclear as an indispensable component of its energy mix;
- Market recognition of the battery commodity component of the Laguna Salada and Berlin deposits and the addition of cobalt to the portfolio; and
- 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 is 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 financial estimates made in the PEAs on the Laguna Salada and Berlin deposits provide shareholders with a reliable, conservative and independent means of valuing these projects and the Company. 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 low-cost production. Having achieved that goal through independent assessment, the Company is focused on the reduction of capex and opex and increasing potential revenue to further strengthen economic parameters such as net present value ("NPV") and internal rate of return ("IRR") of the projects.

Priority Exploration Projects

Laguna Salada Project, Argentina⁸

Current Mining Law in Chubut Province, Argentina

Uranium in the Laguna Salada Project is concentrated in soft gravel in a semi-desert environment of Chubut Province, Argentina. The current mining law (Provincial Law 5001) in Chubut Province does not allow open pit mining or the use of cyanide. Provincial laws also require an environmental impact assessment to be approved by the provincial authorities before a mine can be put into production. The continuous surface mining method described in the Laguna Salada PEA, filed in September 2014, would see no open excavation left after mining. Environmental restoration would be done continuously through the mine life at the same pace as mining advances. 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.

Mineral Resource Growth Potential

U308 Corp. has reported an initial uranium and vanadium resource on the Laguna Salada Project as summarized in Tables 1 and 2. The key to this extremely low-grade deposit is the extent to which beneficiation, the process of removal of pebbles from the fine-grained component of the gravel, concentrates the uranium and vanadium in a small proportion of the gravel's original mass.

Exploration adjacent to the Laguna Salada Deposit has already shown potential for an additional 10-15Mlbs⁹ of uranium. The exploration areas with the prime resource potential are:

1. 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; and
2. The La Rosada area that is located 50 kilometres ("km") north of the Laguna Salada resource area. Recent exploration has shown that mineralization in gravels at La Rosada have uranium-vanadium grades comparable with, and exceeding, the highest-grade areas of the Laguna Salada Deposit. Additional mineralization has been found in an unconsolidated sand layer beneath the gravel layer in some areas and mineralization has also been found in soft, volcanic ash that lies beneath the gravel and sand.

Additional resource potential lies in the gravel plain beyond the known mineralized areas described above, which are extensively covered by U308 Corp.'s exploration concessions as well as the three concessions on which the Company has a joint venture ("JV") option agreement with Petrominera, Chubut Province's resource company. The Laguna Salada Deposit is open, and likely to extend, onto Petrominera's southernmost concession. Petrominera's other two concessions cover intense radiometric anomalies that are indicative of uranium mineralization, but no field work has yet been undertaken to confirm uranium grades.

⁸ Laguna Salada – see May 20, 2011: "Laguna Salada Project, Chubut Province, Argentina, NI 43-101 Technical Report on Laguna Salada: Initial Resource Estimate" and the September 18, 2014 technical report: "Preliminary Economic Assessment of the Laguna Salada Uranium Vanadium Deposit, Chubut Province, Argentina." 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".

⁹ 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.

Mining Method

Uranium and vanadium at Laguna Salada occur in a layer that averages 1 metre ("m") thick that extends from surface to a maximum depth of 3m below surface. The unconsolidated sandy gravel requires no blasting or crushing and therefore could be mined using simple earthmoving techniques such as those used in road construction, for example. The PEA undertaken on the project modelled mining by Continuous Surface Miners that would cut a 20-30 centimetre layer of unconsolidated gravel with each pass along a trench. Barren, or unmineralized, gravel scooped up by the Continuous Miner would be carried up a conveyor belt and immediately replaced on the back side of the trench from where the mineralized layer of gravel had already been removed. Mineralized 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. Over 90% of the damp gravel would be immediately returned to the trailing edge of the trench where, along with barren gravel being deposited there by conveyor, it would be reshaped to the land's original topography and replanted with indigenous flora that had been 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.

Mineral Processing

Extensive test work shows that beneficiation results in approximately 82% of the gravel's uranium and 33% of its vanadium being 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 U_3O_8 – 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%, and would yield 6.4Mlbs of 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 by alkaline leach. This leaves about 60% of the 33% of the gravel's original vanadium 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 over the mine life.

Project Economics

The Laguna Salada PEA estimates a life of mine ("LOM") cash cost of US\$21.62 per pound ("lb") of uranium, net of a vanadium by-product credit. This would make Laguna Salada potentially competitive with high-grade uranium deposits in the Athabasca Basin in Canada 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/lb in the year one, gradually rising to US\$41.10/lb in year 10, with an average of US\$16.14/lb 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 all-in life of mine production cost is estimated at US\$42.4/lb.

The PEA shows that Project's economics are strongly geared primarily to grade of mineralization and also to resource size. The objective of exploration in the La Rosada area was to find additional relatively high-grade mineralization that would have cash costs of production comparable with the first year of production (US\$11.66/lb) planned in the PEA. That exploration was successful and infill trenching is planned to achieve the required sample spacing appropriate for resource definition there. The PEA also shows that the Project's economics could be substantially enhanced with a larger resource combined with a processing plant with greater throughput. In addition, significant devaluation of the Australian Dollar, the Brazilian Real and Argentine Peso against the US Dollar is likely to reduce the capex and opex of the Project 10%-15% in US Dollar terms.

Joint Venture Option Agreement

Subsequent to completion of the PEA, U308 Corp. signed a joint venture option 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 are located in the vicinity of 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 current Laguna Salada resource with an additional exploration target of 10-15Mlb[10] of uranium and therefore could contribute to further enhancing the Project's economics.

U308 Corp. is currently in default on this option agreement, having decided not to pay option fee payments in 2016, nor to complete required exploration expenditures on the Petrominera properties. Management took this decision due to a shortage of funds and having other priorities for the limited exploration funds that were available. Management has maintained contact with Petrominera and there is a possibility that the joint venture option agreement may be renegotiated.

Budget & Work Plan

The PEA on the Laguna Salada Deposit recommends that it be advanced to pre-feasibility study. Given that the planned metallurgical test work and trial mining is planned to be to feasibility study standards, savings can potentially be achieved by advancing directly to a feasibility without doing a pre-feasibility study. A feasibility study would involve the following steps:

- Further metallurgical test work would concentrate on ways of reducing opex and capex including the use of membrane technology, molecular recognition technology ("MRT") and Marenica Energy Ltd.'s U-pgrade© technology. Once the effectiveness of those techniques have been established, pilot plant test work would be done to refine process cost estimates. Trial mining and pilot plant test work would provide precise guidance on mining and processing costs to feasibility study levels, and is budgeted at US\$1.5 million (Table 5);
- Due to the positive gearing of the economics of the Project to grade and resource size, a feasibility study would be done on a larger resource with a greater proportion of higher-grade gravel. Initial exploration of the Petrominera concessions and establishing resources in the La Rosada and La Susana areas, with the aim of doubling the current resource, as well as upgrading the resource to the Measured and Indicated category, is budgeted at US\$3.0 million;
- Social engagement, water resource studies and further environmental test work is budgeted at US\$1.0 million;
- The actual feasibility study is estimated at US\$1.5 million.

Hence the total budget to complete a feasibility study on the Laguna Salada Project, including work to double the resource size, is estimated to be US\$7 million.

Table 5. Budget for advancement of the Laguna Salada Deposit.

Required Drill Programs	US\$ (million)
Resource expansion and upgrade of the resource to Measured and Indicated category	\$3.0
Metallurgy, pilot plant test work and trial mining	\$1.5
Social, environmental & permitting	\$1.0
Feasibility study	\$1.5
TOTAL	\$7.0

Berlin Project, Colombia¹⁰

Introduction

The Berlin Project is located on the east flank of the Cordillera Central 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 with NI 43-101) resource estimate¹¹ 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 power planned to be generated by heat capture from the mineral processing plant design that was incorporated in the PEA. A principal highway, a major river that is navigable by barge to the Caribbean Sea, and a railway line that the Government has prioritized for refurbishment, lie 60km east of the project and represent the principal transport routes for equipment and product.

Mineral Resource Growth Potential

The limestone-sandstone layer that contains the mineralization at Berlin has excellent geological continuity over a 10.5km long trend. Exploration has been undertaken to different stages over this 10.5km trend as follows:

- The southern 3km has undergone intensive drilling on section lines that are approximately 200m apart with bore hole intercepts spaced at intervals of 60m-100m along the section lines, providing an intercept density appropriate for an initial mineral resource (Inferred category). The maiden resource, estimated in compliance with NI 43-101, at Berlin included uranium, phosphate, nickel, vanadium, molybdenum, rhenium, zinc, silver and the REEs, neodymium and yttrium. Resources were established at a cut-off grade of 0.04% U₃O₈;
- Exploration drilling has been undertaken in a 3.5km long zone on the eastern flank of the hull-shaped fold immediately north of the resource area. Having confirmed the extension of the mineralized unit

¹⁰ See March 2, 2012: "Berlin Project, Colombia – National Instrument NI 43-101 Report" and January 18, 2013 technical report: "Berlin Project, Colombia – Preliminary Economic Assessment, NI 43-101 Report." The Berlin Project PEA is preliminary in nature. The PEA includes 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 results of the Berlin PEA will be realized.

¹¹ 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 proviso ire des reserves geologiques de Berlin, sur la base des resultants des sondages, unpublished Minatome report, 15p.* U308 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. U308 Corp. has defined a multi-commodity mineral resource on the southern 3km of the Berlin trend.

from the resource zone into the adjacent area in which exploration drilling has been completed, the exploration area is ready for infill drilling at a spacing appropriate for resource estimation;

- Trenching has been undertaken on the northern 4km of the 10.5km trend where the mineralized layer has been identified at surface. The grade and thickness of the mineralized unit and the suite of elements constituting the mineralization in the trenches is comparable with these characteristics in the resource area and the adjacent exploration area. The northern trenched zone is now ready for exploration drilling to confirm extension of the mineralization to depth beneath the trenches, and if that phase of exploration is successful, infill drilling would be undertaken so that a resource estimate could be calculated.

The remarkable consistency and continuity of the mineralized layer throughout the 10.5km mineralized trend has led Management to estimate that the Berlin Project could contain 50-55Mlb¹² of uranium in addition to, the current resource. There is potential, therefore, for the Berlin Deposit to contain 70-75Mlbs of uranium.

Mining Method

Mining would be by underground methods: room and pillar in the gently inclined parts of the hull-shaped fold and by cut and fill where the mineralized layer is steeply-inclined. Access would be via a decline with two vertical shafts for ventilation and to provide alternative access routes. A crusher would be located in an underground chamber for dust control. Mineralized rock would be crushed to 100 micrometres before being mixed with water to form a slurry that would be pumped to the processing plant. Once the phosphate and metals have been removed from the slurry, the waste (tailings) would be mixed with cement and pumped back underground where it would be used as backfill. This approach minimizes the volume of tailings that would require storage in a facility above ground. Excess tailings would be gravitated to a flat area with a dry microclimate on impermeable rock 14km from the deposit. Two options are under consideration: one is a conventional tailings dam and the other involves the storage of tailings in microfiber bladders, the structural integrity of which would greatly reduce the risk of a breach of the tailings facility.

Mineral Processing

Extensive metallurgical test work conducted by two independent, commercial 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 ("AFIL"). 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 leaching of the crushed whole-rock mineralized material followed by recovery of the various commodities.

Project Economics¹³

The PEA on the Berlin Deposit estimates that 35% of the Project's revenue would come from uranium, 31% from phosphoric acid (the end-product generated from the phosphate), 15% from nickel, 9% from vanadium, 7% from REEs (yttrium and neodymium), and 3% from molybdenum and zinc.

The Berlin Project is expected to generate US\$3.0 billion in revenue with cash flow of US\$915 million. The potential by-products would generate revenue of US\$2.0 billion against total operating costs of US\$1.6 billion and capex of \$0.4 billion. Therefore, the PEA estimated that the value of the by-products essentially covers the all-in total cost of mining and extraction of the uranium. The estimated all-in cost of

¹² 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. – See note 4.

¹³ Berlin Deposit – See note 10.

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uranium production, including operating costs, royalties and capex is approximately US\$4/lb, net of by-product credits.

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 PEA envisaged the production of 1.2Mlb of uranium per annum over a 15-year mine life.

Budget & Work Plan

A reduction in opex and capex would further improve the economics of the Berlin Deposit. There is strong potential to achieve this goal by improving and optimizing the processing techniques on which the Berlin Project PEA was based, as well as through the introduction of alternative processing methods. Test work would focus on the following (Table 6):

- Membrane systems that could concentrate the ions of the commodities of interest in sequence of decreasing ionic diameter from the pregnant liquor solution ("PLS") that contains the metals extracted from the mineralized rock by the AFIL process. The concept is that the upstream membrane has apertures just larger than the diameter of the ion of interest (uranium, for example) and the downstream membrane has apertures just smaller than the ionic diameter of the target ion. As the PLS flows through the system, each ion of interest is concentrated between paired membranes, from which extraction is more efficient. If the PLS generated from the processing of mineralized rock from Berlin is amenable to membrane separation, there could be significant cost savings in both capex and opex relative to the processing system design used in the PEA. The cost of generating sufficient PLS in order to test the effectiveness of membrane technology has been quoted at US\$1.1 million and would take about six months;
- A desktop study is underway on the suitability of molecular recognition technology ("MRT") to the extraction of specific metals from the Berlin PLS. If this work indicates that MRT could be effective for the extraction of metals from Berlin material, test work would be undertaken in a laboratory. Specific ligands, the chemical structures that capture specific metal ions in this extraction method, have been developed for many of the elements of interest at Berlin including uranium, nickel, vanadium and each of the REEs, amongst others. This test work would cost about US\$100,000 and would take nine months;
- Test work shows that calcite, a gangue mineral that elevates opex due to its consumption of acid (a reagent added to dissolve the phosphate and metals from the mineralized rock), can be removed by flotation. Results of test work that became available only when the PEA was being finalized, and hence were not included in the plant design, showed that flotation could be used to extract 30% of the calcite without significantly reducing the extraction of commodities of value. Now that a means of flotation has been found to selectively remove calcite, optimization may result in improved rejection of calcite, with potential to reduce opex;
- Of the REE group, the PEA included revenue only from yttrium and neodymium. The other 15 elements in the REE group are dissolved into solution by the AFIL process and therefore are available for extraction from the PLS and could, therefore, augment revenue; and
- Optimization of the use of heat generated by the processing plant to generate electricity would likely lead to lower opex.

Given the potential, described above, for the resource to increase to 70-75Mlbs over the entire mineralized trend at Berlin, there is scope to also reduce opex and capex per pound of uranium produced, through economies of scale. Diamond drilling would, however, require significant expenditure, the cost estimates of the required phases of which are outlined in Table 6. Further drilling and associated potential resource expansion will be held off until funds are more freely available.

The priorities on the Berlin Project are to undertake test work on:

- The suitability of MRT to extract metals of interest from the PLS; and
- The effectiveness of membrane technology for concentrating metals of interest from the PLS so that they can be extracted more cost-effectively.

Table 6. Budget for advancement of the Berlin Deposit.

Required Drill Programs	Metreage	US\$ (million)
Maiden Resource Area:		
Infill drilling closer intercept spacing to allow reclassification of Inferred resources to Indicated resources (~21Mlb)	3,000	\$1.0
Updated resource estimate to convert Inferred to Indicated		\$0.15
Sub-total		\$1.15
Area in which exploration drilling has been completed (~30Mlb potential):		
Drilling for Inferred Resource (360-420m drill section spacing)	25,000	\$7.6
Drilling to convert Inferred to Indicated (180-210m drill spacing)	40,000	\$12.0
Sub-total		\$19.6
Initial drilling of area that has been trenched:		
Northern area where trenching shows presence of mineralization and western limb where the mineralized unit does not come to surface	6,000	\$2.5M
TOTAL		\$23.3M

Kurupung Project, Guyana¹⁴

Introduction

U3O8 Corp.'s exploration drilling has shown the Kurupung district is a classic example of an albitite-hosted uranium 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-breccias¹⁵. By the nature of the albitite wall rock alteration, these deposits are typically located in stable ground that is amenable to underground mining methods.

Mineral Resource Growth Potential

Field evidence suggests that uranium in the Kurupung Project is contained within one large system of linked vein-breccias. The current Kurupung resource was defined in four uranium-bearing veins within granitic host-rock. Scout drilling has shown that six other veins contain consistent uranium mineralization; these veins are ready for infill drilling to the spacing required for resource definition.

Soil geochemistry, combined with geophysical data, defines additional exploration targets that warrant scout drilling. Some of these anomalies have an Iron Oxide Copper Gold ("IOCG") affinity that should be investigated in due course.

¹⁴ 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."

¹⁵ 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.

Zircon, which occurs with uranium in the mineralized vein-breccias, constitutes an additional potential source of revenue from the Kurupung Deposit. A resource has not yet been established for zirconium because many of the zirconium values exceed the analytical threshold of the assay method that is optimal for uranium, and assay methods appropriate for high zirconium values are expensive. Sample material from the core that was analyzed for uranium are available in storage should the Company decide to analyze the over-limit samples to determine the true grade of zirconium for potential resource estimation.

Mining Method

The mineralized veins that constitute the Kurupung resource start within a few metres of surface and so it is likely that they would be mined by open pit methods to a depth of approximately 80m, below which the veins would be mined by underground means with access by decline ramp.

Mineral Processing

An average uranium recovery of 82% was achieved using acid leach in initial metallurgical test work on hard-rock material from the Kurupung. Further metallurgical test work is clearly required to find ways of improving uranium recovery and to investigate the extent to which zirconium can be cost-effectively recovered from the mineralized material.

Project Economics

Although no formal economic study has been done on the Kurupung Project, Management estimates that its cash cost of production would be approximately US\$40/lb of uranium and therefore a uranium price of approximately US\$70/lb would be required for the Project's economics to become attractive.

Budget & Work Plan

Since Management's internal estimate of cash cost of production from the Kurupung Project is above the lower quartile of the uranium industry, further work on the Project has been suspended. Estimated production costs could be lowered through:

- An alternative metallurgical processing technique generating greater recoveries and lower reagent consumption than has been achieved so far with alkaline and acid leach tests;
- Positive results from test work on the recovery and extraction of zirconium as a potential by-product that could generate additional revenue; and
- Achieving economies of scale from a larger resource.

Further work on the project has been postponed until funding is accessible on less dilutive terms than those currently available to the Company.

Early-Stage Exploration

While U308 Corp.'s focus remains on the priority projects as described above, the Company has other projects with known uranium and battery commodity mineralization that require further exploration in due course. U308 Corp. has recently acquired the old Niquelina Mine in Salta Province, Argentina, located in a Five Element vein system ("FEV") that has geological similarities to the Cobalt veins system in Ontario. These systems are so named because they consistently contain nickel, cobalt, silver, arsenic and bismuth, and they commonly contain uranium and gold. Although production was small, the old mine lies in a vein district that has not undergone recent exploration and provides an opportunity, not only for additional uranium resources, but the opportunity to bolster the Company's battery commodity portfolio through the potential addition of cobalt.

SAS 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 shale gas resource and 4th largest shale oil reserve in the world. SAS has assembled a strong property portfolio in Uruguay, Brazil and Argentina that is favourably located

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relative to existing infrastructure with access to deepwater ports. Initial test results show that the sands meet the technical specifications required for use as a proppant in 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.

Selected Annual Financial Information

Selected annual financial information for the Corporation is summarized in Table 7.

Table 7. Selected annual financial information for U308 Corp.

For Year Ended December 31,	2016	2015	2014
Net loss	\$9,065,933	\$3,170,131	\$5,761,174
Net loss per share (basic and fully diluted)*	\$0.03	\$0.01	\$0.03
As at December 31,	2016	2015	2014
Total assets	\$ 3,046,748	\$ 11,173,894	\$12,191,971

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

Summary of Quarterly Results

The results for the eight most recent quarters have been prepared in accordance with IFRS as listed in Table 8.

Table 8. Summary of quarterly results, U308 Corp.

Three Months Ended (*)	Net Loss (\$)	Basic and Diluted Loss Per Share (\$)
2017-March 31	(538,974)	(0.00)
2016-December 31	(7,891,904)	(0.03)
2016-September 30	(461,502)	(0.00)
2016-June 30	(391,854)	(0.00)
2016-March 31	(320,673)	(0.00)
2015-December 31	(1,705,403)	(0.01)
2015-September 30	(50,083)	(0.00)
2015-June 30	(738,680)	(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 \$1.4 million in 2016 from \$1.8 million in 2015. 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 on less dilutive terms than those currently available.

The loss in Q4 2016 reflects an impairment charge against the Berlin Deposit of \$7.7 million.

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The loss in Q4 2015, relative to Q4 2016 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 and hence weaker demand for frac sands. Work in SAS has ceased until crude oil prices improve and production increases from the Vaca Muerta shale oil and gas basin in Argentina.

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

Results of Operations for the Three Months Ended March 31, 2017

For Q1 2017, U308 Corp.'s net loss decreased to \$538,974 or \$0.00 loss per share (Q1 2016 – net loss of \$320,673 or \$0.00 loss per share). General and administrative and exploration costs increased in Q1 2017 relative to Q1 2016 due to reporting issuer costs related to funds raised through private placements and to a land payment in Colombia in 2017.

A breakdown of exploration expenditures on U308 Corp.'s lead projects in Colombia, Argentina and Guyana for the three months ended March 31, 2017 and 2016 are set forth in Table 9.

Table 9. Summary of U308 Corporation's exploration spending in Argentina, Colombia & Guyana

Three Months Ended March 31, 2017	Berlin Project Colombia (\$)	Laguna Salada Project Argentina (\$)	Kurupung Project Guyana (\$)	Total (\$)
Administrative expense	15,936	23,464	-	39,400
Salaries and benefits	11,188	50,380	-	61,568
Total location costs	27,124	73,844	-	100,969
Total field costs	80,804	104,292	6,000	191,096
Tax accruals & payments	-	-	-	-
Stock-based compensation	1,849	13,241	-	15,090
Amortization	-	2,922	-	2,922
Total	109,778	194,299	6,000	310,077

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 & 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

Argentine exploration expenses in Q1 2017 of \$194,299 included non-cash amortization of \$2,922 and non-cash stock based compensation of \$13,241 (Q1 2016 - \$83,909, including amortization of \$11,190 and stock based compensation of \$1,849). A carefully focused exploration program started in Q4, 2016 continued into Q1 2017, aimed at finding relatively high-grade mineralization that would contribute to lowering estimated opex.

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Colombia exploration expenses in Q1 2017 of \$109,778 included non-cash stock based compensation of \$1,849 (Q1 2016 - \$46,799, including amortization of \$12,264 and stock based compensation of \$3,625). Further exploration at Berlin is on hold until funds can be raised at less dilutive levels than those available at current share prices. The increase in expenditure Q1 2017 relative to the same quarter in 2016 was mainly due to fees for two of the concessions being paid in Q1 in 2017 while they were paid in Q4 in 2016.

Guyana exploration expenses in Q1 2017 were \$6,000 (Q1 2016 - \$10,716, including non cash stock based compensation of \$216). Exploration in the Kurupung Project in Guyana continued to be on hold given Management's relatively high estimate of opex, while available funds are prioritized on the Argentine project.

General and administrative ("G&A") expenses increased to \$211,254 in Q1 2017 (Q1 2016 – \$147,552) mainly due to reporting issuer costs related to financings and to non cash stock option expenses. Other costs were in line with those of Q1 2016.

A foreign exchange loss of \$17,643 in Q1 2017 (Q1 2016 – loss of \$36,580) was due mostly to Argentine and Colombian peso and US Dollar exchange rate fluctuations.

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, 2017, total cash was \$219,489 (December 31, 2016 – \$124,387) and the working capital deficit was \$874,081 (December 31, 2016 – \$849,072 working capital deficit). The March 31, 2017 working capital deficit included accounts payable and accrued liabilities of \$1,139,258 (December 31, 2016 – \$1,029,711). The principal current liabilities at March 31, 2017 included:

- Approximately \$220,000 for professional services provided; and
- Approximately \$270,000 for unpaid salaries to senior officers.

During 2017, U308 Corp. has raised total gross proceeds of \$415,000 (net cash proceeds \$367,100) in non-brokered private placements through the issue of an aggregate of 12,833,333 units as detailed in Table 10. Placements consisted of units, with each unit consisting 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.

Table 10. Summary of private placements undertaken in Q1, 2017.

Private Placement	No. of Shares	\$ Unit Price	Gross Proceeds	No. of Warrants	Warrant Price	Warrant Expiry
Jan. 20, 2017	3,000,000	\$ 0.04	\$120,000	3,000,000	\$ 0.05	Jan. 20, 2019
				180,000	\$ 0.05	Jan. 20, 2019
Mar. 21, 2017	9,833,333	\$0.03	\$295,000	9,833,333	\$ 0.03	Sept. 21, 2019
Total	12,833,333		\$415,000	13,013,333		

An additional \$137,973 was raised through the exercise of 3,330,000 warrants during Q1 2017.

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Subsequent to March 31, 2017, 6,100,000 units were issued to raise gross proceeds of \$152,500 in a non-brokered private placement. Each unit consists of one common share and one share purchase warrant. A further 427,000 broker warrants were issued in connection with this placement.

The funds allowed the Company to fulfill key commitments on projects and to meet ongoing obligations in the normal course of business.

Table 11 summarizes the Company's material contractual obligations, which relate to office lease agreements in Canada, Colombia and Argentina expiring at various periods up to March 2019.

Table 11. U3O8 Corp.'s material contractual obligations to March, 2019

Item	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Facility leases	\$44,632	\$44,632	-	-	-
Total Obligations	\$44,632	\$44,632	-	-	-

As of the date of this MD&A, U3O8 Corp. has issued and outstanding 345,198,102 common shares, 146,066,665 warrants and 18,935,000 stock options. The full exercise of all warrants and options could raise approximately \$11 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 deposits. 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 held in major Canadian chartered banks. 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, 2017, U3O8 Corp. had \$219,489 in total cash. While the Company has been able to raise funds as needed, further financings will be required in 2017 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 funds can be raised upon terms acceptable to the Company, or at all, while funding for junior exploration companies remains 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

The related party transactions into which U3O8 Corp. has entered are shown in Table 12.

Table 12. Summary of U308 Corp.'s related parties.

Three Months Ended March 31, 2017	2017	2016
John Ross ⁽ⁱ⁾	\$ 7,500	\$ 7,500

(i) Chief Financial Officer ("CFO") fees expensed to a company controlled by the current CFO of the Company. At March 31, 2017, \$54,450 is included in amounts payable and other liabilities (December 31, 2016 - \$61,075).

Remuneration of U308 Corp.'s Directors and senior Management for the three month period ended March 31, 2017 is shown in Table 13.

Table 13. Summary of remuneration of Directors and senior Management of the Company in Q1, 2017

Three Month Period Ended March 31, 2017	2017	2016
Salaries and benefits ⁽ⁱ⁾	\$ 34,250	\$ 34,250
Stock-based compensation	\$ 22,636	\$ 6,709
Total	\$ 56,886	\$ 40,959

The Chief Executive Officer of the Company was owed \$184,668 at March 31, 2017 (December 31, 2016 - \$168,318). 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. However, the Board of Directors has opted to waive cash fees until the financial condition of the Company improves. As of March 31, 2017, directors of the Company were owed \$Nil (December 31, 2016 - \$Nil).

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

The Company continues to discuss the advancement of the Laguna Salada Deposit towards feasibility study with various interested parties. In addition, the Company continues to evaluate properties and corporate opportunities. In its exploration for uranium and battery commodities, the Company's exploration staff has identified precious metal targets that the Company has staked at minimal expense, and the Company is considering spinning these assets out into a private precious metal company. More information will be provided as plans develop.

Critical Accounting Estimates & Changes in Accounting Policies

All significant critical accounting estimates and changes in accounting policies are fully disclosed in Note 3 of the unaudited condensed consolidated financial statements for the three months ended March 31, 2017 and are unchanged from those reported in the Company's December 31, 2016 audited consolidated financial statements.

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, 2017, totalled \$1,813,106 (December 31, 2016 - \$1,841,037).

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 means of raising funds.

The Company's capital management objectives, policies and processes have remained unchanged during the three month period ended March 31, 2017 and the year ended December 31, 2016. 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. As of March 31, 2017 and December 31, 2016, the Company may not be compliant with these TSX requirements. The TSX may require the Company to undertake a consolidation of its stock in order to meet listing requirements. The impact of a share consolidation cannot be predicted with certainty (see "Risk Factors" below). At the end of December 2016, the Company's US share-trading platform was moved from the OTCQX to the OTCQB. The Company continues to be listed on the Santiago Stock Exchange, although trading volumes are negligible since no marketing of the Company has yet been done in the region. There will be an opportunity to commence marketing in Santiago, linked with a resource-finance conference in July, 2017.

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 March 31, 2017, 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 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

U308 Corp.'s activities expose it to a variety of financial risks including: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and uranium and battery commodity price risk).

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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 March 31, 2017. 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, 2017, U3O8 Corp. had total cash of \$219,489 (December 31, 2016 - \$124,387) to settle current liabilities of \$1,139,258 (December 31, 2016 - \$1,029,711). Current liabilities included approximately \$270,000 related to senior management salaries and approximately \$220,000 of service provider fees. 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**Interest Rate Risk**

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

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, 2017, 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 Argentine 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 Argentine Peso against the Canadian Dollar.

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 stock market indices.

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The Company's long-term investment in Minexco is subject to fair value fluctuations arising from changes in the equity and commodity markets. The Company wrote its Minexco investment off in 2014.

Commodity 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/lb low during the financial crisis in 2008 and continuing in the low US\$40s/lb 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 tsunami that compromised pumps required to cool the cores of reactors in the Fukushima power plant in Japan in mid-March, 2011, that resulted in the melt-down of the cores of three reactors, led to the suspension of nuclear power in Japan while reactors were required to increase their resistance to tsunamis and earthquakes. In addition, Germany closed half of its nuclear reactors in response to the Fukushima meltdown. The halting or nuclear power generation from these reactors led to a build-up of nuclear fuel inventory and a consequent weakening of the uranium price. Japanese reactors that have met the required safety upgrades have not come back on stream as quickly as anticipated, which has led to a further weakening of the uranium price, which has now reached an 11-year low of approximately US\$18/lb in December 2017. Since then, the uranium spot price has increased to its current \$22.50/lb. China, Russia and India continue to build reactors at a fast rate; 60 reactors are currently under construction world-wide and a total of 449 reactors are operable.

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:

1. Cash and cash equivalents are subject to floating interest rates. Sensitivity to a plus or minus 1% change in interest rates would not materially affect the reported loss and comprehensive loss;
2. 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 annual loss and comprehensive loss by approximately \$19,000; and
3. 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, 2017, 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, 2017, U3O8 Corp. had 339,098,102 issued and outstanding common shares, 139,755,665 warrants and 18,935,000 stock options outstanding, each exercisable to acquire one common share, for 498,453,767 common shares outstanding on a fully diluted basis.

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 U308 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.

Environmental Reporting - Risks and Opportunities Related to Climate Change

At the request of the G20, the Financial Stability Board (FSB) engaged the private and public sector to review how the financial sector can incorporate climate-related issues in financial reporting. The FSB has set out voluntary guidelines for reporting and disclosure of the effects of climate change on different industries.

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In December 2015, the FSB established an industry-led Task Force on Climate-related Financial Disclosures to develop climate-related disclosures that “could promote more informed investment, credit [or lending], and insurance underwriting decisions” and, in turn, “would enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system’s exposures to climate-related risks.” The Company’s approach to climate change is based on the premise that CO₂ emissions are increasing global temperatures, as reported by the Intergovernmental Panel on Climate Change (IPCC) report to the UN. The IPCC 2014 synthesis report notes that “each of the last three decades has been successively warmer at the Earth’s surface than any preceding decade since 1850.”

The Corporation’s business falls squarely in the low-carbon energy environment with its pursuit of deposits of uranium and battery commodities as follows:

- Nuclear represents a low-carbon source of energy: the only carbon emissions related to nuclear being from the mining, processing and transport of uranium and its fabrication into fuel rods and their transport to the reactor. The production of electricity from the reactor itself generates no greenhouse gases. However, U308 Corp. is going further in its quest for commodities for the clean energy industry by investigating the economics of mitigating carbon emissions from future mining and processing operations at the Laguna Salada Deposit through the use of the abundant wind resources of the Patagonian region. The opportunity is to produce a uranium product that has a lower carbon footprint from mining and processing, than the majority of its competitors. Results of test detailed wind measurements will be incorporated in the feasibility study of the Project;
- Energy storage technology, including batteries, is a fast-growing industry that is fundamentally important to the more widespread adoption of intermittent sources of clean energy such as solar and wind. Currently, electricity distribution is largely designed to meet peak demand. With the wider adoption of batteries, significant capital costs could be avoided by changing the system from a peak-demand driven system to a load-balanced system. U308 Corp. has an extensive inventory of battery commodities including phosphate, nickel and vanadium that are used in lithium ion batteries, while vanadium and phosphate are key elements of vanadium redox flow batteries (“VRB”).

The IPCC points to two key contributors to global warming: carbon dioxide and CO₂ and methane (CH₄). Methane has over twenty times the global warming effect of CO₂, and therefore must be considered in mitigation efforts of global warming.

Vegetation is the natural, low cost, efficient sequester of CO₂. Photosynthesis results in the uptake of CO₂ during daylight hours and release of oxygen back to the atmosphere while the carbon is stored in the tissue of the plant. Carbon taken up by plants remains sequestered in the humus generated as the plant’s leaves and roots decay. A plant’s carbon sequestration capacity is proportional to its leaf and root surface area – so larger, healthy species sequester more carbon, and release more oxygen while photosynthesizing, than a smaller plant of the same species. In addition, grasslands are more efficient at sequestering carbon and releasing oxygen to the atmosphere than forests. Hence, the route to efficient CO₂ capture is through better land management practices that result in a greater density of plants and healthy soils that have a high organic (carbon content). Humus and mulch in soils represent an enormous carbon sink. Conversely, poor land management that leads to erosion and the loss of humus and mulch from the soil has been estimated to have released twice the amount of CO₂ to the atmosphere than industrial activity.

Hence, the Company’s approach to the reduction of greenhouse gases is the adoption of better land management practices on the properties on which future mines are located, with the objective of increasing the amount of humus in the soil, which would gradually increase the productivity of the land. Restoration of the land after mining would include inoculation of the gravel and soil with mycorrhizal fungi – organisms that have a symbiotic relationship with plant roots that results in the plant accessing up to ten times more nutrients and water than it would be able to from its roots alone. The second key factor to

land management is rotational grazing: in a sheep producing area such as that in which Laguna Salada is located, constant grazing results in palatable pasture species being killed while unpalatable, less nutritious species dominate, leading to less and less productive land. Rotational or mob-grazing uses the concept of a large number of animals being concentrated in a small area for a short period. When all grass species have been grazed, the animals are moved to the adjacent parcel of land and the highly impacted area that has just been grazed is left fallow for the grass to grow and seed before the herd is cycled back through that paddock. This cyclical grazing allows palatable grass species to compete with less desirable species. The fuller grass plant development and growth results in larger root mass that provides access to a larger area of soil nutrients and water. More plant and root growth also results in more carbon sequestration. In addition, higher carbon content in soil facilitates the uptake of nitrogen from the dung and urine of the herd, resulting in faster reconstitution of the soil and a greater capacity to sequester carbon.

Turning to the other main contributor to greenhouse gases – methane - the main source of which is natural gas, rice paddies, bogs, dams in tropical regions and flatulent ruminants. Microaerophilic bacteria, that are present in soil, capture and metabolize methane into formaldehyde that is taken up by plants. Methane capture by bacteria is facilitated by high oxygen content, availability of moisture and a friable structure allowing circulation of gases. These features are synonymous with healthy soil. Poor and degraded soils have minimal capacity to take up methane.

The Corporation's approach to Climate Change, therefore, is proactive, practical and pragmatic. The Corporation believes that, by using exemplary land management practices, it has an opportunity to influence its neighbours to adopt similar practices aimed at making their land more productive while creating a growing carbon sump for both CO₂ and methane.

Risk Factors

An investment in the securities of U308 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, 2016 on U308 Corp's web site at www.u308corp.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 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.

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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
<p>Potential of U3O8 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>	<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 U3O8 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>
<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)</p>	<p>Results from previous small scale metallurgical test work can be replicated on a larger scale.</p>	<p>Inability to replicate laboratory and other smaller scale test results on a larger scale.</p>
<p>Potential JV with Petrominera and resource potential on its concessions (see Highlights, Outlook and Priority Exploration Projects)</p>	<p>Resource potential on Petrominera's properties will be defined as anticipated towards forming a JV for further expansion of the Laguna Salada Project.</p>	<p>Possibility that resources are not defined and the associated JV will not be formed.</p>
<p>Uranium and a suite of other commodities of economic interest at Berlin can be extracted using a ferric iron leach method (see Priority Exploration Projects)</p>	<p>Results from previous small scale metallurgical test work conducted in multiple labs can be 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>	<p>Inability to replicate laboratory and other smaller scale test results on a larger scale.</p> <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.</p>
<p>By-product revenues at Berlin could pay for extraction of the uranium and make Berlin a potential low - cash cost uranium</p>	<p>Assumptions in the Berlin PEA are correct and comprehensive.</p> <p>Actual results of exploration, resource goals, metallurgical testing, economic studies and</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>

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Forward-Looking Statements	Assumptions	Risk Factors
producer (see Outlook and Priority Exploration Projects)	<p>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>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>Sale of any investments, if warranted, on acceptable terms.</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 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 U3O8 Corp.'s properties including the potential impact of complying with existing and proposed laws and	<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>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>

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Three Months Ended March 31, 2017

Forward-Looking Statements	Assumptions	Risk Factors
regulations (see Highlights, Overview, Outlook and Priority Exploration Projects)	<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>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.

Additional Information

Additional information relating to U308 Corp., including its Annual Information Form for the year ended December 31, 2016, is available on SEDAR at www.sedar.com.