

TORONTO, Aug. 31, 2016 /CNW/ - U3O8 Corp. (TSX: UWE; OTCQX: UWEFF; SSE: UWECL) announces that it is undertaking a best efforts non-brokered private placement of up to 33,333,334 units ("Units") at a price of \$0.03 per Unit, for gross proceeds of approximately \$1 million (the "Offering").

Each Unit shall consist of one common share of [U3O8 Corp.](#) ("Share") and one Share purchase warrant ("Warrant"). Each Warrant shall entitle the holder to purchase one Share at an exercise price of \$0.045 for a period of 24 months from the closing date.

The net proceeds will be used principally to advance the Laguna Salada uranium-vanadium deposit toward a pre-feasibility study through:

- Pilot plant test work designed to generate more precise estimates of operating and capital costs than those used in the Preliminary Economic Assessment ("PEA") that was completed in September 2014; and
- Further exploration of the La Susana and La Rosada discoveries that have been made adjacent to the Laguna Salada Deposit. Demonstrating uranium resource growth potential in these areas is a priority for the advancement of the project because the PEA shows that a larger resource is beneficial: the larger the deposit, the better its economics.

Proceeds will also be used for general corporate purposes. The securities issued and issuable pursuant to the Offering will be subject to a statutory 4-month hold period. The Offering is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals.

About U3O8 Corp.

[U3O8 Corp.](#) is focused on exploration and development of deposits of uranium and associated commodities in South America. Potential by-products from uranium production include commodities used in the energy storage industry – in the manufacture of batteries - such as nickel, vanadium and phosphate. The Company's mineral resources estimates were made in accordance with National Instrument 43-101, and are contained in three deposits:

- Laguna Salada Deposit, Argentina – a PEA shows this near surface, free-digging uranium - vanadium deposit has low production-cost potential;
- Berlin Deposit, Colombia – a PEA shows that Berlin also has low-cost uranium production potential due to revenue that would be generated from by-products of phosphate, vanadium, nickel, rare earths (yttrium and neodymium) and other metals that occur within the deposit; and
- Kurupung Deposit, Guyana – a uranium resource has been estimated in four veins within a uranium-zirconium vein system. Resources have been estimated on four veins, while consistent mineralization of the same type has been intersected in scout drilling of an additional six veins, while yet other veins require first-time exploration drilling.

Information on [U3O8 Corp.](#), its resources and technical reports are available at www.u3o8corp.com and on SEDAR at www.sedar.com. Follow [U3O8 Corp.](#) on Facebook: www.facebook.com/u3o8corp, Twitter: www.twitter.com/u3o8corp and Youtube: www.youtube.com/u3o8corp.

Forward-Looking Statements

Certain information in this release are forward-looking statements with respect to the development plans and economic potential of [U3O8 Corp.](#)'s current projects. Forward-looking statements consist of statements that are not purely historical, including statements regarding beliefs, plans, expectations or intentions for the future, and include, but not limited to, statements with respect to: (a) the low-cost development goal of Laguna Salada, (b) the Laguna Salada and Berlin PEAs, (c) the potential of the Kurupung district in Guyana, and (d) completion and use of proceeds of the Offering. Basis for such assumptions include that: (i) actual results of our exploration, resource goals, metallurgical testing, economic studies and development activities will continue to be positive and proceed as planned, and assumptions in the Laguna Salada and Berlin PEAs prove to be accurate, (ii) requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to [U3O8 Corp.](#), and (iii) economic, political and industry market conditions will be favourable. However, such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including, but not limited to: (1) that a mine will be achieved on the Laguna Salada Project, the Berlin Deposit and other exploration projects, (2) that beneficiation test work will continue to be favourable and results from small scale metallurgical testing can be duplicated on a larger scale, (3) the inherent uncertainties and speculative nature associated with exploration results, resource estimates, potential resource growth, future metallurgical test results, changes in project parameters as plans evolve, (4) volatility of commodity prices and market conditions for uranium; (5) dependence on regulatory approvals and changes in legislation, environmental compliance, community support and the political and economic climate, (6) availability of future financing, and (7) exploration risk and other factors beyond the control of [U3O8 Corp.](#) including those factors set out in the "Risk Factors" in our Annual Information Form available on SEDAR at www.sedar.com. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. [U3O8 Corp.](#) assumes no obligation to update such information, except as may be required by law. For more information on the above-noted PEAs, refer to the September 18, 2014 technical report titled "Preliminary Economic Assessment of the Laguna Salada Uranium-Vanadium Deposit, Chubut Province, Argentina" and the January 18, 2013 technical report titled "[U3O8 Corp.](#) Preliminary Economic Assessment on the Berlin Deposit, Colombia."

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