TORONTO, March 23, 2017 /CNW/ - U3O8 Corp. (TSX: UWE), (OTCQB: UWEFF) ("U3O8 Corp." or the "Company") reports on progress achieved in the quarter towards driving down production cost estimates on its priority project, the Laguna Salada Deposit in Argentina. The Company also reports that it has decided, under IFRS rules, to write down the value of its Colombian deposit in its 2016 year-end financial statements. This is an accounting measure that reflects the limited work undertaken in Colombia under the difficult conditions in the uranium resource sector over the last three years, while available funds have been focused on advancing the Laguna Salada Deposit in Argentina. The Berlin Deposit in Colombia remains in good standing and will be reactivated by the Company as soon as adequate funding becomes available.

Prioritization of the Laguna Salada Deposit in Argentina

With the limited funding that has been available to the Company during the downturn in the resource sector, and while uranium prices sunk to their lowest levels in a decade in December 2016, the Company focused its expenditure on its priority project, advancing it towards a feasibility study in a cost-effective manner. The Laguna Salada Deposit in Argentina is considered the Company's top priority asset under current market conditions for the following reasons:

- The deposit is flat-lying and shallow, with the uranium-vanadium layer exposed at surface in some areas and extending to a depth of only three metres in others. The advantage of this geometry is that it allows for mining to begin in the richest part of the deposit, where margins are highest, resulting in a quick payback of the capital borrowed for construction of the mine and plant, and freeing up cash flow to be returned to shareholders as soon as possible;
- The Preliminary Economic Assessment[1] on Laguna Salada estimated cash costs of production of approximately US$12 per pound of uranium in year one, while the highest grade material is mined. New discoveries of uranium and vanadium elsewhere in the Laguna Salada Project area (see press releases dated January 11, January 19 and February 7, 2017) returned grades that are similar to, or higher than, the grade of the material modeled to be mined in year one. Hence, this newly discovered material has potential to add to the Deposit's resource and to improve its economics;
- Refinements to the way in which the uranium coating is removed from pebbles and sand grains in the gravels offer potential for greater efficiencies and lower production cost estimates. Additional test work is currently being undertaken in Australia on this aspect of the Deposit. Results of this test work are expected shortly;
- Environmental restoration would be done at the same pace as mining. Once the bulk of the uranium is removed from the gravel, the gravel would be replaced and replanted with indigenous species – the aim being to leave the land in a better condition than it was prior to mining, to the long-term economic benefit of the landowners;
- There is a possibility that at least part of the power requirement of the project could be generated by wind turbines since Patagonia has an excellent wind resource. This creates potential for U3O8 Corp. to provide uranium that is produced with a low-carbon footprint that may provide marketing leverage in some jurisdictions; and
- Argentina is a country that is steadily increasing the proportion of electricity generated from nuclear plants. All of the uranium used in Argentina is imported and the country would benefit from security of local supply, the creation of jobs and tax income from local production.

Write-down of Colombian Property for Accounting Purposes

U3O8 Corp. has decided, in compliance with International Financial Reporting Standards ("IFRS"), to take an impairment charge of $7.7 million on its Berlin Project in Colombia in its year-end financial statements for 2016. One consideration under IFRS rules is that impairment should be considered if there has been less than optimal spending over the previous three year period, which is the case on the Berlin Project since available exploration funds have been prioritized for advancement of the Laguna Salada Deposit. Significant future expenditure on the Berlin Project may allow the Company to reverse the impairment charge.

The Board and Management of U3O8 Corp. believe that Berlin is an exceptional deposit, containing a unique suite of commodities which are in demand by the clean energy industry including: uranium for nuclear energy; nickel, vanadium and phosphate for batteries; and rare earth elements for use in low-energy lighting and high-efficiency electric motors and generators.

Exploration concession fees have been paid and the Berlin Project is in good standing. The next critical step for the advancement of the Deposit is pilot plant test work on the efficiency of nanofiltration to concentrate the metals and phosphate from the liquid into which these commodities are dissolved from the mineralized rock. The Company has not had the required $1.1 million in funds to commit to this work. If the test work is successful, the use of nanofiltration in the processing plant design may significantly reduce the capital cost estimated for the Project in the PEA[2]. Operating costs would also be expected to fall and metal recoveries increase. Positive results from the test work could markedly improve the economic robustness of the Project.

Technical Information

Dr. Richard Spencer, P.Geo., C.Geol., President and CEO of U3O8 Corp. and a Qualified Person as defined by National

Instrument 43-101, has approved the technical information in this news release.

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

This news release includes certain "forward looking statements" related with the development plans, economic potential and growth targets of U3O8 Corp.'s projects. Forward-looking statements consist of statements that are not purely historical, including statements regarding beliefs, plans, expectations or intensions for the future, and include, but not limited to, statements with respect to: (a) the low-cost and near-term development of Laguna Salada, (b) the Laguna Salada and Berlin PEAs, (c) the potential of the Kurupung district in Guyana, (d) impact of the U- pgrade^{TM} process on expected capital and operating expenditures, and (e) the price and market for uranium. These statements are based on assumptions, including 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) a joint venture will be formed with the provincial petroleum and mining company on the Argentina project, (iii) requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U3O8 Corp., (iv) economic, political and industry market conditions will be favourable, and (v) financial markets and the market for uranium will improve for junior resource companies in the short-term. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in such statements, including, but not limited to: (1) changes in general economic and financial market conditions, (2) changes in demand and prices for minerals, (3) the Company's ability to establish appropriate joint venture partnerships, (4) litigation, regulatory, and legislative developments, dependence on regulatory approvals, and changes in environmental compliance requirements, community support and the political and economic climate, (5) 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, (6) competitive developments, (7) availability of future financing, (8) exploration risks, 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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[1] September 18, 2014 Technical Report: "Preliminary Economic Assessment of the Laguna Salada Uranium Vanadium Deposit, Chubut Province, Argentina.
[2] January 18, 2013 technical report: "Berlin Project, Colombia – Preliminary Economic Assessment, NI 43-101 Report."

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