

U308 Corp. Announces C\$400,000 Non-Brokered Private Placement



TSX: UWE | OTCQB: UWEFF

October 1, 2018 (Source) – **U308 Corp.** (TSX: **UWE**), (OTCQB: **UWEFF**) (“**U308 Corp.**” or the “**Company**”) is pleased to announce a non-brokered private placement to raise approximately C\$400,000 through the sale of approximately

1,600,000 Units (the “**Units**”) at a price of C\$0.25 per Unit to close on or about October 19, 2018 (the “**Financing**”). Each Unit will consist of a common share of the Company (a “**Common Share**”) and one whole common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to purchase a Common Share at a price of C\$0.40 and shall be valid for 36 months from the date of issuance.

In the event that subscriptions received for the Financing based on available prospectus exemptions exceed gross proceeds of C\$400,000, the Company may increase the size of the Financing to 2,000,000 Units and gross proceeds of C\$500,000.

Available Prospectus Exemptions to Subscribers

The Financing will be conducted pursuant to available prospectus exemptions including sales to accredited investors, close friends, family and business associates of directors and officers of the Company, as well as to existing shareholders of U308 Corp. by relying on the existing securityholder prospectus exemption (the “**ESPE**”), adopted by the Ontario Securities Commission (the “**OSC**”) on February 5, 2015.

Existing shareholders who would like to participate in the financing through the provisions of the ESPE must comply with

the following:

a.	Have owned one or more Common Shares as at Friday, September 28, 2018 (the “ Record Date ”) and continue to own one or more Common Shares of the Company until completion of the Financing; and
b.	Purchase the Units as principal and reside in Canada except for the province of Newfoundland and Labrador.

Each shareholder who qualifies to purchase shares under the ESPE rules may purchase up to C\$15,000 of the Company’s Common Shares in any twelve-month period. Any qualifying shareholder that makes a declaration on the subscription form that he or she has obtained advice from a financial advisor in regard to the purchase of the Company’s Common Shares will not be subject to the C\$15,000 ceiling. Due to associated legal, regulatory and administration costs, the Company requests that subscriptions be for a minimum of C\$1,000 per shareholder.

In accordance with the ESPE, the Company confirms there is no material fact or material change related to the Company that has not been generally disclosed and that the Company’s “core documents” and “documents”, as defined under applicable securities laws, do not contain a misrepresentation.

If the Financing is over-subscribed, it is possible that a shareholder’s subscription may not be accepted by the Company even though it is received.

This news release does not constitute an offer of securities for sale in the USA. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the USA absent USA registration or an applicable exemption from USA registration requirements.

Use of Proceeds

Proceeds of the Financing will be used for the completion of

metallurgical test work on the Company's Laguna Salada uranium-vanadium deposit in Argentina, for general corporate and administrative purposes, and to enable the Company to consider exercising its right to maintain its 39% holding in the private frac sand company, South American Silica Corp. ("**SAS**"), should SAS undertake a private placement in light of positive developments in the frac sand industry.

The Company would like to clarify that the "Berlin Project" on which three geologists were recently killed by guerillas in Colombia, is not U308 Corp.'s Berlin Project. However, U308 Corp.'s Board of Directors and Management have taken note of the recent security incidents in Colombia and are considering various options.

Finders' Fees

Eligible finders who introduce an investor to the Financing will be paid a commission of 7% of the value of the client's investment in cash and 7% of the value of the client's investment in broker warrants (the "**Broker Warrants**"). The Broker Warrants will be exercisable into Common Shares of the Company at C\$0.40 and will be valid for a period of 24 months from the date of closing of the Financing.

Related Party Transactions

Richard Spencer (CEO of the Company) and John Ross (CFO of the Company) are expected to participate in the Financing (the "**Insider Participation**") and their participation will constitute a related party transaction within the meaning of Multilateral Instrument 61-101 ("**MI 61-101**"). In the absence of exemptions, the Company would need to obtain a formal valuation for, and minority shareholder approval of, the related party transaction. The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5 and 5.7 of MI 61-101 in respect of the Insider Participation.

Residents of the USA

Under USA regulations, 35 US non-accredited investors may participate in the Financing. There is no limit on the number of accredited investors eligible to subscribe in the Financing from the USA.

Subscription Procedure

Please inform us your interest in participating in this Financing via the following link on the Company's corporate website <http://www.u3o8corp.com/subscription-guide/>

Subscriptions will be accepted by the Company on a "first come, first served basis." Therefore, if the Financing is over-subscribed, it is possible that a shareholder subscription may not be accepted by the Company. Additionally, the Company reserves the right, in a situation of over-subscription, to reduce the number of Units available to each subscriber.

TSX Approval and Hold Periods

The Financing is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including final approval of the TSX and applicable securities regulatory authorities.

All securities issuable pursuant to the Financing will be subject to a statutory four (4) month hold period.

About U308 Corp.

U308 Corp. is focused on exploration and development of deposits of uranium and battery commodities in South America. Battery commodities that occur with uranium resources include vanadium, nickel, zinc and phosphate. The Company's mineral resources estimates were made in accordance with National Instrument 43-101, and are contained in the following 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

Additional Information

Information on U308 Corp., its resources and technical reports are available at www.u308corp.com and on SEDAR at www.sedar.com. Follow U308 Corp. on Facebook: www.facebook.com/u308corp, Twitter: www.twitter.com/u308corp and YouTube: www.youtube.com/u308corp.

Forward-Looking Statements

This news release includes certain “forward looking statements” related with the development plans, economic potential and growth targets of U308 Corp’s 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 and near-term development of Laguna Salada, (b) the Laguna Salada and Berlin PEAs, (c) the potential of the Kurupung district in Guyana and (d) 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) requisite regulatory and governmental approvals will be received on a timely basis on terms acceptable to U308 Corp., (iii) economic, political and

industry market conditions will be favourable, and (iv) 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 U308 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. U308 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 "U308 Corp. Preliminary Economic Assessment on the Berlin Deposit, Colombia."