

A Uranium Exploration-to-Producer “Shovel-Ready” Story

U308 Corp. (TSX: UWE | OTCQX: UWEFF) is a Canadian uranium exploration company exploring for rare earths with a focus on South America, led by President/CEO Dr. Richard Spencer. U308 Corp has properties in Colombia, Guyana, and Argentina.

U308 Corp was founded by Dr. Keith Barron, who as a member of the management team of Aurelian Resources, played a key role in the discovery of one of the largest gold fields of the last 20 years, the 13.7 Moz gold/22.4 Moz silver deposit, Fruita del Norte, in Ecuador. Dr. Barron currently serves on the U308 Corp. Board of Directors.

The Company describes its holdings as “one of the most advanced suite of uranium projects on this continent comprising NI 43-101 compliant resources in Guyana, significant historic resources in Colombia, and near-resource and discovery potential in Argentina.”

Early in the last decade, uranium, as a segment of the global resource sector bull market, experienced a boom and bust cycle all its own. The price rocketed from around \$10.00 a pound, up to \$135 and then dropped to the mid-\$30's, taking the share price of most production and exploration companies downstream with it.

Now, however, this picture may be on the cusp of a dramatic change. Despite the Fukushima disaster in Japan, (whose reactors were designed and built with 1970's technology), a variety of factors are converging, having the potential to radically alter the current uranium supply-demand equation. There is the soon to be concluded Megatons to Megawatts Program (utilizing heavily-enriched uranium from decommissioned Russian warheads to power nuclear reactors), as

well as reduced development of uranium supplies in general due, in part, to low uranium prices.

An important caveat to the rapid and sustained 'renewal' of the uranium story, both psychological and practical, will be the level of success that Japan experiences in the removal and storage of several hundred tons of spent fuel rods at Fukushima. Even though reactor building and operational safety have advanced markedly in recent years, along with a strengthening case for nuclear power, Fukushima still does matter.

On the demand side, a global build-out of reactors – in process, planned and proposed – is underway. Evidence of this can be found in areas of the world as disparate as China, India, Vietnam, the Middle East, and surprisingly, the U.S.(re-licensing).

The net effect holds the potential of being greater than the sum of its parts. Underscoring the implications of this build-out, Dr. Barron has noted:

“Nuclear power leaves a proven, clean, near-zero carbon footprint. It's reliable in terms of base load power supply. China and India understand this. Of the 70 reactors under construction around the world – which, incidentally, means that on average, one new reactor will come on stream each month for five years – 30 are in China.”

U308 Corp's flagship endeavor, the Berlin deposit, is located in Colombia. It has an NI 43 – 101 Resource estimate (Indicated/Inferred) of over 21 million pounds of uranium. In addition the project has the potential to generate phosphate for fertilizers, vanadium for battery energy storage, as well as rare earth potential. A Preliminary Economic Assessment (PEA) released earlier this year indicates that the project demonstrates rather positive project economics. Speaking of this, Dr. Spencer noted:

“The PEA shows that the uranium in the Berlin Project could be produced at zero cash cost thanks to the revenue generated from associated by-products – which would place Berlin in the lower quartile of potential uranium producers...the study indicates that Berlin has robust economics based on just one-third of the resource potential of the property.”

Keep an Eye on Laguna Salada



“Typical ground at the Laguna Salada project, Chubut Province, Argentina”
(courtesy U308 Corp website)

The Company’s projects in Guyana and Colombia bring a great deal to the table, but it is U308 Corps. Laguna Salada Deposit in Argentina which, to this writer, is of particular interest. A PEA is currently underway on the deposit, located in Chubut Province. Among other considerations, it envisions a potential joint venture with Chubut’s provincial mining company, Petrominera Chubut, S.E. Unlike some uranium projects, this one could conceivably utilize a continuous surface mining process. Dr. Spencer describes that this would be accomplished,

“...by machines very similar to those that cut and lift old asphalt from roads that are being repaved. One could picture the continuous surface mining concept as a long shallow trench that migrates sideways across a gravel plain with gravel being

removed from the leading edge of the trench, washed, and replaced on the trailing edge. This mining option would be expected to see 95% of the original gravel returned to the excavated area, reshaped to its original topography and re-vegetated with shrubs transplanted from the advancing side of the trench. After mining, there would be little evidence that mining had occurred.”



“Uranium in layered gravel at Laguna Salada” (courtesy Dr. Keith Barron) (Note: Uranium is the yellow layer near the bottom of this photo. “The gravels are unconsolidated – so you can pick them up with an ordinary shovel.” – Dr. Barron)

Results from the most recent mid-term elections in Argentina, make it unlikely that currently serving President Cristina Kirchner will be able to run for another term in office.

Mariano Tommasi, professor of economics at the Universidad de San Andres (Argentina) concludes:

“Most likely the next two years will be a confusing time” with the remainder of Kirchner’s term in spent lame duck status. Tommasi remarks however, that “...at this stage most analysts are inclined to believe that the potential productivity of Argentina’s economy is quite high, and improvements will be forthcoming under better management.”

Argentina, most well known by investors for a number of its established gold and silver mines, has some of the most highly prospective resource sector real estate in the world. As it slowly moves away from some of the policies, which in recent years have arguably produced less than optimum results, producers across the spectrum of natural resources are likely to benefit. This would include farmers growing cash crops, gold and silver explorers and producers, petroleum and natural gas entities. Not to mention an under-appreciated uranium explorer with plans to become a producer, now with a lot going on under the hood...U308 Corp.