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U3O8 Limited
ABN 11 113 446 352

17 September 2008 ASX Code: **UTO**

ASX ANNOUNCEMENT

Outcome of W.A. State election and Project status

The directors of Perth based uranium explorer, U3O8 Limited ("UTO" or "the Company") have welcomed the outcome of the Western Australia State election and the stated commitment of both parties in government to lift the current ban on uranium mining.

UTO has a number of major uranium projects in Western Australia, with a JORC mineral resource containing in excess of 10 Million pounds of U_3O_8 at its Dawson-Hinkler project near Wiluna.

Results from a scoping study completed earlier in the year by Perth Consultants Independent Metallurgical Operations (IMO) confirmed the potential for Dawson-Hinkler to significantly contribute to the Company's goal to become a uranium producer and produce significant returns as a standalone operation.

This study did not incorporate the results of the round of drilling completed in December 2007 which the board considers likely to increase the grade and size of the overall mineral resource.

The Company now intends to progress the development of Dawson-Hinkler further by completing another round of resource definition drilling and additional mining studies.

The Company is also the manager of three other significant projects in Western Australia, a JV in the Ashburton region with Cameco Australia (the largest uranium miner in the world) and a JV with Northern Star in the East Kimberley contiguous to the 100% UTO-owned Mad Gap project (100% UTO) for a combined area in excess of 2,700km^2 as well as the high grade calcrete project at Wabli/Minindi Creek in the Gascoyne region.

Further information relating to the Company and its various exploration projects can be found on the Company's website at: www.u3o8.com.au.

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