

U308 Holdings Plc - First Day of Dealings

31st January, 2008

The Directors of U308 Holdings Plc ("U308" or "the Company"), are pleased to announce its entire issued Ordinary Share capital has today been admitted to trading on PLUS.

Type of Issue: Introduction

ADMISSION DETAILS

Admission Price: 10p

Ordinary Shares in Issue: 48,712,777

Market Cap on Admission: GBP 4.87 million

Funds raised: GBP 733,000

Sector Classification: Mining

Corporate Advisor: Lion Capital Corporation Limited

Principal Activities: Uranium exploration, focused on South America, with projects in Chile.

BACKGROUND

U308 Energy Limited was incorporated in Scotland on 23rd September 2005 as a private company limited by shares under the Companies Act 1985. It is a uranium exploration company, focused on South America, with projects in Chile.

U308 Holdings plc was incorporated in England and Wales on 7th August 2007 as a public limited company under the Companies Act 1985. The Company subsequently acquired the whole of the issued share capital of U308 Energy in consideration for the issue of 24,279,443 new Ordinary Shares and the crediting as fully paid up of its two subscriber shares.

U308 Energy was formed as a direct result of the renaissance of nuclear power and the resulting increase in demand for its primary feedstock, uranium. Since its incorporation, U308 Energy has acquired 57 exploration concessions, 48 of which have been granted and nine of which are in the process of being granted, in Chile, together comprising nine distinct exploration projects. It is the Company's intention to acquire further exploration projects, primarily in Chile and Argentina, although projects in other jurisdictions may also be considered depending on their commercial merit.

COMPANY STRATEGY

It is the objective of U308 Holdings plc to develop into a mid-tier uranium development company, having a portfolio of exploration assets centered upon South America.

Having registered the nine exploration projects, described in detail in Part Four of the Company's Admission Document, U308's near-term objective will be to develop these projects. It is the Company's intention to carry out an initial sampling programme to generate sufficient data to allow the Directors to take a commercial decision on whether further exploration is warranted and, if so, whether the Company should progress this by its own efforts or through a joint venture. The Company will also aim to identify new areas prospective for uranium mineralization on an ongoing basis, initially in Chile and Argentina.

Where the Directors believe that it is in the best commercial interests of the Company and its shareholders, they will seek to identify suitable joint venture partners for specific projects. Ideally such partners would have specialist expertise in South America. The Directors believe that this will reduce the Company's level of risk by reducing its expenditure on developing projects, whilst ensuring that it retains a meaningful commercial interest in such projects.

The Company will consider acquisitions where the Directors believe that these will add significant value to its project portfolio. It is most likely that the purchase price of any such acquisition would be satisfied by the issue of further Ordinary Shares, which would result in dilution for existing shareholders. The Company will consider moving to a more senior market (e.g. AIM) if there are sound reasons for such a move, such as greater financing opportunities, a higher profile, and greater liquidity opportunities for investors. Such a move does not form part of the Company's near-term strategy, but is seen by the Directors as a possibility at a later stage of development.

REASONS FOR THE INTRODUCTION TO PLUS

The Directors consider that the benefits of the Placing and Admission include:

- the ability to enter into transactions with companies, to whom the issue of publicly traded shares as consideration is potentially attractive;
- the increased potential to raise further funds in the future, either to enable a proposed acquisition or investment to be completed

and/or to raise additional working capital or development capital for the Company once the acquisition or investment has been completed; and

- the increased potential to attract high quality directors and employees by offering share options at some time in the future. The Directors believe that the ability to grant options over PLUS traded shares is potentially more attractive to directors and employees than the grant of options over unquoted shares.

The Directors also believe that the principal benefits of the Admission are the ability to heighten the Company's profile whilst also broadening the Company's investor base.

RISK FACTORS

The exploration and development of natural resources are speculative activities that involve a high degree of financial risk. The risk factors which should be taken into account in assessing the Group's activities and an investment in the Company include, but are not necessarily limited to, those set out below.

Any one or more of these risks could have a material adverse effect on the value of any investment in the Company and the business, financial position or operating results of the Group and should be taken into account in assessing the Group's activities.

The risks noted below do not necessarily comprise all those faced by the Group and are not intended to be presented in any assumed order of priority.

Political risk

The Directors are hopeful that the governments of the countries in which the members of the Group operate, and may in the future operate, will continue to support the development of natural resources by foreign operators. However, there can be no assurance that future political and economic conditions in these countries will not result in their governments adopting different policies in relation to foreign development and ownership of mineral resources.

Any such changes in policy may result in changes in laws affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income, return of capital and other areas, each of which may affect both the Group's ability to undertake exploration and development activities in respect of future properties in the manner currently contemplated, and its ability to continue to explore and develop those properties in respect of which it has applied for or obtained exploration and development rights to date.

Uranium prices

The marketability of uranium is subject to numerous factors beyond the control of the Group. The price of uranium may experience volatile and significant price movements over short periods of time. Factors that impact on the price of uranium include demand for nuclear power, political and economic conditions in uranium-producing and consuming nations, reprocessing of spent fuel and re-enrichment of depleted uranium tails or waste, sales of excess civilian and military inventories (including from dismantling nuclear weapons) by governments and industry participants and product levels and costs of production.

Public acceptance of nuclear energy

Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry. An accident at a nuclear reactor anywhere in the world could impact on the continuing acceptance of nuclear energy and the future prospects for nuclear power generation, which may have a material adverse effect on the Group.

Nature of mineral exploration and mining

The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mineral deposit may result in substantial rewards, few properties that are explored are ultimately developed into economically viable operating mines.

Major expenditure may be required to establish reserves by drilling and in constructing mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary feasibility studies or full feasibility studies on the Group's projects or the current or proposed exploration programmes on any of the properties over which the Group has exploration rights will result in a profitable commercial mining operation.

The Group's operations are subject to all of the hazards and risks normally incidental to the exploration, development and production of uranium and other minerals, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all such damage caused. The Group's activities may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which the Group has interests. Hazards such as flooding, unstable ground conditions or other conditions may be encountered in the drilling and removal of material.

While the Group may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or that certain risks could be excluded from coverage. There are also risks against which the Group cannot insure or against which it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage actually taken out may cause substantial delays and require significant capital outlays, adversely affecting the Group's earning and competitive position in the future and, potentially, its financial position. In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the Group's earning and competitive position in the future and, potentially, its financial position.

Whether a uranium or any mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit (such as its size and grade), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of uranium and other minerals and environmental protection). The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the

Group not receiving an adequate return on invested capital.

Expansion targets and operational delays

The Group plans to develop its properties, if warranted. However, there can be no assurance that it will be able to complete the planned development on time or to budget, or that the current personnel, systems, procedures and controls will be adequate to support the Group's operations. Any failure of management to identify problems at an early stage could have an adverse impact on the Group's financial performance.

Joint ventures

The Group or any company which from time to time forms part of the Group may enter into joint ventures. There is a risk that a joint venture partner may not meet its obligations and that such Group company suffers additional costs or other losses. It is also possible that the interests of any such Group company and those of its joint venture partners are not aligned, resulting in project delays or additional costs and losses. The Group may have minority interests in the companies, partnerships and ventures in which it invests and may be unable to exercise control over the operations of such companies.

Limited operating history

The Group has no properties producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from active mining operations in the future and its ability to access equity markets for its development requirements. The Group has not earned profits to date and there is no assurance that it will do so in the future. All of the Group's activities will be directed to exploration and, if warranted, development of its existing properties and to the search for and the development of new mineral deposits. Significant capital investment will be required to achieve commercial production.

Additional financing

The Group is required to fund exploration expenditure on all of the properties on which it has exploration rights, failing which the Group's exploration rights in the relevant property may be either reduced or forfeited. The Group may acquire exploration rights over other exploration properties in South America and elsewhere, which may require acquisition payments to be made and exploration expenditures to be incurred.

The only sources of funding currently available to the Group are through the issue of additional equity capital, project finance or borrowing. There is no assurance that the Group will be successful in raising sufficient funds to meet its obligations with respect to the exploration properties over which it has or may acquire exploration rights.

Key personnel

The Group relies on a limited number of key employees. However, there is no assurance that the Group will be able to retain such key executives or other senior management. If such personnel do not remain active in the Group's business, its operations could be adversely affected.

Environmental and other legal factors

The Group's operations are subject to environmental regulation (including regular environmental impact assessments and the requirement to obtain and maintain certain permits) in all the jurisdictions in which it operates. Such regulation covers a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and health and safety.

The Group may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations.

Environmental legislation and permitting requirements are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Group competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Group, in the search for and acquisition of exploration and development rights on attractive mineral properties. The Group's ability to acquire exploration and development rights on properties in the future will depend not only on its ability to develop the properties on which it currently has exploration rights, but also on its ability to select and acquire exploration and development rights on suitable properties for exploration and development. There is no assurance that the Group will continue to be able to compete successfully in acquiring exploration and development rights on such properties.

Currency risk

Currency fluctuations may affect the cash flow that the Group hopes to realize from its operations, as minerals and base metals are sold and traded on the world markets in United States dollars. The Group's operating costs are, and will continue to be, incurred primarily in the currencies of the countries in which it operates.

Uninsured risks

The Group, as a participant in exploration and mining programmes, may become subject to liability for hazards that cannot be insured against or against which it may elect not to be so insured because of high premium costs. The Group may incur a liability to third parties (in excess of any insurance cover) arising from pollution or other damage or injury.



Areas of investment risk

The share prices of publicly quoted companies can be volatile. The price of shares is dependent upon a number of factors some of which are general or market or sector specific and others that are specific to the Group.

It is the intention that the Ordinary Shares will not be listed on PLUS Markets and, although application has been made for the Ordinary Shares to be traded on PLUS, this should not be taken as implying that there will always be a liquid market in them. In addition, the market for shares in smaller public companies is less liquid than for larger public companies.

Therefore an investment in the Ordinary Shares may be difficult to realise and the share price may be subject to greater fluctuations than might otherwise be the case. An investment in shares quoted on PLUS may carry a higher risk than an investment in shares quoted on the Official List. PLUS' future success and liquidity in the market for the Ordinary Shares cannot be guaranteed. Investors should be aware that the value of the Ordinary Shares may be volatile and may go down as well as up and investors may therefore not recover their original investment.

The market price of the Ordinary Shares may not reflect the underlying value of the Company's net assets. The price at which investors may dispose of their securities may be influenced by a number of factors, some of which may pertain to the Group and others of which are extraneous. On any disposal of their shares investors may realise less than the original amount invested.

Market perception

Market perception of mining exploration companies may change which could impact on the value of investors' holdings and impact on the ability of the Company to raise further funds by issue of further shares in the Company.

Economic, political, judicial, administrative, taxation or other regulatory factors

The Group may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the areas in which the Group will operate and holds its major assets, as well as other unforeseen matters.

DIRECTORS

Conrad Windham - Chairman and Chief Executive Officer, aged 24

Conrad Windham serves as the Chief Operations Officer of PLUS-quoted thorium exploration company All Star Minerals plc, and as an Executive Director of Oracle Coalfields plc, the PLUS-quoted Pakistan-focused coal company. Mr Windham is a member of the board of advisors to the junior gold explorer Crystal River Resources Ltd, which is developing the Niaouleni gold concession in Mali.

Prior to holding directorships, Mr Windham worked as a financial analyst with a number of junior mining and exploration companies, assisting in their development and understanding and advising upon their properties and strategies. He is also Chief Executive Officer of Valiant Investments plc, the fledgling PLUS-quoted investment company.

Mike Parr - Executive Director, aged 60

Mike Parr has spent just under 40 years working in the mining and exploration industries as an employee and as owner and manager respectively of two independent consulting and management companies in North and South America. He has spent 14 years working with INCO (International Nickel Company of Canada) in North America, where he started as mine geologist, before rising to senior staff geologist, responsible for project generation, property acquisition and applied research into mineral deposits.

Mr Parr has been responsible for technical input into a joint venture between INCO and Tennessee Valley Authority for the exploration, development and processing of non-traditional uranium deposits such as unconformity deposit types and black shale hosted vein systems.

As a director of his consulting company, Lithotech Limitada, his clients have included Phelps Dodge, Rio Tinto Zinc, BHP Billiton, Antofagasta Minerals, Barrick, DOCEGEO, and the Chilean government-owned company CODELCO. From 1998 until 2005 Lithotech has managed exploration in Chile for the Canadian junior Metallica Resources Inc. This management has resulted in the discovery of the El Morro porphyry copper gold deposit, and in 2003 Mr Parr was responsible for identifying the Figueroa Project.

Since early 2005 Mr Parr has spent most of his time consulting for Xstrata Peru on its Las Bambas Project in the Altiplano region of Peru. He resides in La Serena, Chile.

Edward Taylor - Non-Executive Director and Company Secretary, aged 60

Edward Taylor has worked in various accounting, human resources, administration and company secretary positions in the natural resources sector including for Hardy Oil and Gas, British Borneo Oil and Gas plc, LASMO (now AGIP (UK) plc) and Angus & Ross plc. He is currently a Non-Executive Director and company secretary of Beowulf Mining plc and Valiant Investments plc and has assignments for Yukos Services (UK) Ltd, Oracle Coalfields plc and All Star Minerals plc (being company secretary of the latter two companies).

DIRECTORS' AND OTHER INTERESTS

The interests of the Directors, their families and persons connected with such Directors (within the meaning of section 252 of the 2006 Act), in the share capital of the Company as at 14th January 2008 are as follows:

	Ordinary Shares		Options/warrants to
	Number held	Percentage of Capital*	subscribe for Ordinary Shares
M G Parr	2,016,506	4.14%	9,523,810**
E Taylor	-	0.00%	250,000
C Windham	10,230,138	21.00%	2,500,000

* The issued share capital of the Company following the allotment of the placing shares referred to in Part One of this document.

** Under the terms of the Exploration Agreement, the Company has an obligation to issue further warrants to subscribe for Ordinary Shares to Mike Parr following Admission. Each such warrant will be exercisable at 10p per Ordinary Share at any time up to the date falling three years from the date of issue.

The interests of the Directors and their respective families and persons connected with them set out above, are all beneficially held.

PAST DIRECTORSHIPS

The Directors currently hold the following directorships and have held the following directorships within the five years prior to the publication of this document:

Director	Current directorships	Previous directorships
M G Parr	Lithotech Limitada U308 Holdings plc U308 Energy Limited	None
E Taylor	Beowulf Mining plc Ed Taylor Consulting Limited U308 Holdings plc Valiant Investments plc	None
C A Windham	All Star Minerals plc Oracle Coalfields plc U308 Energy Limited U308 Holdings plc Valiant Financial Media Limited Valiant Investments plc	None

None of the Directors have been a partner of any partnership in the five years prior to the publication of this document.

SUBSTANTIAL SHAREHOLDERS

Other than the holdings of the Directors, which are set out above, the Directors are aware of the following who, as at the date of this document, are directly or indirectly interested in 3% or more of the Company's share capital:

	Ordinary Shares Number held*	Percentage of Capital*	Options/warrants to subscribe for Ordinary Shares
Scott Fletcher	3,100,000	6.36%	-**
John McIntyre	2,262,939	4.65%	9,523,810***
Pershing Keen Nominees	9,000,000	18.48%	
Rickthorne Limited	7,500,000	15.40%	
Sunvest Corporation	8,769,862	18.00%	
Tiger Resource Finance Plc	4,166,666	8.55%	

Rickthorne Limited is controlled by Ian William Nimmo .

Sunvest Corporation is chaired and controlled by Bruce Rowan.

Tiger Resource Finance is controlled by Bruce Rowan and Colin Bird.

* The number of shares held and the issued share capital of the Company are shown following the allotment of the placing shares referred to earlier on in the announcement.

** Under the terms of a convertible loan note issued on 23rd November 2007, Scott Fletcher has the right to convert a £60,000 loan made by him to the Company into 2,000,000 Ordinary Shares, credited as fully paid at any time in the two years following Admission. The terms of the convertible loan note are summarised in the admission document.

*** Under the terms of the Exploration Agreement, the Company has an obligation to issue further warrants to subscribe for Ordinary Shares to John McIntyre following Admission. Each such warrant will be exercisable at 10p per Ordinary Share at any time up to the date falling three years from the date of issue. The terms of the Exploration Agreement are summarised in the admission document.

ADMISSION DOCUMENT

Copies of the Admission Document will be available during office hours at the offices of Lion Capital Corporation, address as above, or downloadable from the PLUS-Markets website.

The Directors of the issuer accept responsibility for this announcement

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