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**TSX Symbol: PWE  
Frankfurt Symbol: P8A**

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## **POWERTECH ANNOUNCES STRATEGIC REFINANCING OF SYNATOM DEBT**

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**POWERTECH URANIUM CORP.** (“**Powertech**” or the “**Company**”) (**Vancouver, B.C.**) is pleased to announce that it has entered into a refinancing agreement (the “**Refinancing Agreement**”) with Société Belge de Combustibles Nucléaires Synatom SA (“**Synatom**”) which restructures Powertech’s repayment obligations on approximately \$25 million of debt currently owed to Synatom.

The key elements of the Refinancing Agreement are as follows:

1. Powertech agreed to pay to Synatom of \$12.5 million immediately upon closing of the Refinancing Agreement;
2. Powertech agreed to pay a deferred payment (the “**Deferred Payment**”) to Synatom of \$7.5 million, by way of an unsecured non-interest bearing promissory note which is payable in cash or common shares of Powertech (the “**Common Shares**”) at Powertech’s election and due on the earlier of: (i) six months after the last permit is obtained for the Dewey-Burdock project; and (ii) two years from the closing of the refinancing contemplated under the terms of the Refinancing Agreement. If Powertech elects to make this payment in shares, the share price shall be equal to the greater of \$0.60/share, or a 15% discount to the 20-day volume-weighted average price of Powertech on the TSX at the time of payment; and
3. Synatom agreed to a lock-up, for a period of 18 months, of the 10.89 million Common Shares it owns, and agreed to vote in favour of management’s proposed slate of directors at any meeting of shareholders of Powertech held during this time.

In consideration of the foregoing, Powertech, Powertech (USA) Inc. (“**Powertech USA**”), Indian Springs Land and Cattle Co., LLC (“**Indian Springs**”) and Synatom will enter into a termination, voting and lock-up agreement (the “**Termination Agreement**”) pursuant to which all prior loans, agreements, rights and obligations among and between the parties (the “**Prior Agreements**”) would terminate, including: (i) the \$9 million convertible debenture of Powertech in favour of Synatom (plus accrued interest thereon); (ii) the \$13.8 million loan facility between Powertech and Synatom (plus accrued interest thereon); and (iii) the rights and obligations under the prior private placement agreements (including, without limitation, the anti-dilution rights, pre-emptive rights, governance and other representation rights, registration rights, right to purchase uranium and non-compete agreements by management shareholders). Under the terms of the Termination Agreement, Synatom would, irrevocably and unconditionally release and discharge all security interests it has in and to or affecting any of the shares, undertaking, property and assets of the Company, Powertech USA or Indian Springs, and all original share certificates, promissory notes, debentures and other collateral or property in the possession of Synatom will be delivered to the Company as soon as reasonably practicable following the execution of the Termination Agreement.

Powertech USA has agreed to guaranty Powertech's obligation to pay the Deferred Payment pursuant to the terms of guaranty agreement as the majority of the Company's assets are held in the name of Powertech USA.

The Deferred Payment is due on the earlier of: (i) six months after the last permit is obtained for the Dewey-Burdock project; and (ii) two years from the closing of the refinancing contemplated under the terms of the Refinancing Agreement (the "**Closing**"). At maturity, the Deferred Payment can be paid in cash or, at the election of Powertech, by the issuance of Common Shares at a conversion price equal to the greater of: (i) a 15% discount from the 20 day volume weighted average trading price of the Common Shares on the TSX; or (ii) \$0.60 per Common Share (the "**Conversion Price**"). At the election of Powertech, the Deferred Payment may also be prepaid in advance in cash at anytime, provided that such prepayment is for an amount not less than \$250,000, or after an initial period of 18 months, in Common Shares at the Conversion Price. In connection with the Deferred Payment, Powertech has agreed to provide customary covenants in favour of Synatom, including a covenant not to encumber its property or assets and not to incur any indebtedness.

Under the terms of the Termination Agreement, Synatom will retain its 10.89 million Common Shares but has agreed that it will not sell such Common Shares until the earlier of: (i) the date that is eighteen months from the date of execution of the Termination Agreement; (ii) the date upon which a Change of Control (as defined in the Termination Agreement) occurs; and (iii) the date upon which an Event of Default (as defined in the Termination Agreement) occurs (the "**Lock-up Period**") without the approval of Powertech. Synatom has also agreed to vote in favour of management's proposed slate of directors at any meeting of shareholders of Powertech held during the Lock-Up Period.

The Closing is to occur on or before April 30, 2011, unless otherwise agreed to by the parties. As a condition to the Closing, all parties to a shareholders agreement dated June 2, 2008 among Powertech, Synatom, Wallace Mays, the Wallace Mays 2006 Family Trust No. 1, Richard F. Clement Jr., the Clement Family Limited Partnership, Thomas A. Doyle and Greg Burnett (the "**Shareholders Agreement**") must enter into a termination agreement at or prior to Closing pursuant to which they agree to the termination of the Shareholders Agreement. The Closing is also conditional on the closing of an equity financing of not less than \$17,500,000 and, under the terms of the Refinancing Agreement, Powertech is required to use best efforts to complete the financing by April 26, 2011. The Closing is also conditional on the approval of the Refinancing Agreement and the transactions contemplated thereunder by disinterested shareholders of Powertech.

### **Shareholder Approval and Other Related Transaction Agreements:**

The Company will be seeking shareholder approval at a special meeting (the "**Special Meeting**") of shareholders of the Company to be held on or about March 14, 2011, for an ordinary resolution approving the Refinancing Agreement and the transactions contemplated thereunder. Synatom, as an insider of the Company and Gérard Pauluis, an officer of Synatom, will abstain from voting their Common Shares at the Special Meeting.

Mr. Richard Clement Jr., President stated " We are very pleased to have entered into this refinancing agreement with Synatom, which will allow the Company to significantly strengthen its balance sheet and raise additional equity capital to move forward with its business plan. The Company would like to thank Synatom for its support in reaching this agreement".

**POWERTECH URANIUM CORP.**

**Per: "Richard F. Clement"**  
**Richard F. Clement Jr.,**  
**President & CEO**

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***The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release***

*Disclaimer for Forward-Looking Information*

*Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Company's overall business development objectives and plans. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) any number of events or causes which may delay, postpone or result in the inability to close the transactions contemplated in this news release, (2) the risk that the Company does not execute its business plan, (3) inability to finance operations and growth, (4) inability to obtain all necessary environmental and regulatory approvals, and (5) other factors beyond the Company's control. These forward-looking statements are made as of the date of this news release and the Company assumes no obligation to update these forward-looking statements, or to update the reasons why actual results differed from those projected in the forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the "Risks and Uncertainties" section in the Company's MD&A filed with Canadian security regulators.*