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

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## **POWERTECH CLOSES UNIT OFFERING AND REFINANCING TRANSACTION**

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**POWERTECH URANIUM CORP.** (“**Powertech**” or the “**Company**”) (**Vancouver, B.C.**) is pleased to announce that it has completed its previously announced public offering of 47,872,340 units (the “**Units**”) at a price of \$0.47 per Unit to raise gross proceeds of \$22,500,000 pursuant to a short form prospectus dated March 2, 2011 (the “**Offering**”). It also announces that it has closed its previously announced refinancing transaction (the “**Refinancing Transaction**”) with Société Belge de Combustibles Nucléaires Synatom SA (“**Synatom**”), which was approved by Powertech’s shareholders at a special meeting held on March 14, 2011. The closing of each of the Offering and the Refinancing Transaction were mutually conditional on the closing of the other.

### **Closing of Offering**

On March 15, 2011, the Company closed the Offering, under which 47,872,340 Units were sold, with each Unit consisting of one common share of the Company (each, a “**Share**”) and one half of one common share purchase warrant. Each whole warrant (a “**Warrant**”) will entitle the holder to purchase one Share at an exercise price of \$0.60 for two years following the closing of the Offering, provided that, if at any time after the date that is six months and one day following the closing of the Offering, the daily volume-weighted average price of the Shares on the Toronto Stock Exchange (the “**TSX**”), or on any other stock exchange on which such Shares may be principally traded at the time, is equal to or greater than \$1.20 per Share for a period of 20 consecutive trading days, the Company may, within five days of such event, accelerate the expiry date of the Warrants by giving notice to the holders thereof. In such case, the Warrants will expire on the 30<sup>th</sup> day after the date on which such notice is given by the Company.

A syndicate of agents led by Salman Partners Inc. and including Dundee Securities Ltd. (collectively, the “**Agent**”) were engaged in respect of the Offering. The Agent received a commission equal to 6.5% of the gross proceeds of the Offering. As additional consideration, the Agent was issued 3,111,702 agent’s warrants (each an “**Agent Warrant**”). Each Agent Warrant entitles the holder to acquire one Share for a period of two years from the closing of the Offering at a price of \$0.47 per Share.

As a result of the completion of the Offering, there are 103,301,362 Shares issued and outstanding.

The Units, Shares, Warrants and Agent Warrants have not been registered under the U.S. Securities Act of 1933, as amended (the “Act”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

### **Closing of Refinancing Transaction**

On March 15, 2011, the Company also closed the Refinancing Transaction which restructured Powertech’s repayment obligations on approximately \$25 million of debt owed to Synatom. In connection with the closing of the Refinancing Transaction (the “Closing”), the following events occurred:

1. Powertech paid \$12.5 million to Synatom;
2. Powertech issued an unsecured non-interest bearing promissory note in the principal amount of \$7.5 million (the “Note”) to Synatom, which is repayable in cash or Shares at Powertech’s election and is due on the earlier of: (i) six months after the last permit is obtained for the Company’s Dewey-Burdock project; and (ii) two years from the Closing. At the election of Powertech, the Note 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, the Note may be repaid by the issuance of Shares to Synatom at a price per Share equal to the greater of \$0.60 per Share or a 15% discount to the 20-day volume-weighted average price of the Shares on the TSX (or such other stock exchange on which the Shares may be listed at such time) at the time of payment. Powertech USA has guaranteed Powertech’s obligation to repay the Note;
3. Powertech, Powertech (USA) Inc. (“**Powertech USA**”), Indian Springs Land and Cattle Co., LLC (“**Indian Springs**”) and Synatom entered 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**”) were terminated, 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 among the parties (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 irrevocably and unconditionally released and discharged all security interests it had in and to or affecting any of the shares, undertaking, property and assets of Powertech, Powertech USA or Indian Springs, and all original share certificates, promissory notes, debentures and other collateral or property in the possession of Synatom were delivered to the Company; and
4. 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 entered into a termination agreement whereby a shareholders agreement dated June 2, 2008 among those parties was terminated.

Under the terms of the Termination Agreement, Synatom will retain its 10.89 million Shares but has agreed that it will not sell such Shares until the earlier of: (i) eighteen months from the Closing; (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. As a result of the completion of the Offering and the Refinancing Transaction, Synatom holds 10.5% of the issued and outstanding Shares, on an undiluted basis, based on 103,301,362 Shares issued and outstanding. If Powertech elects to convert the principal of the Note into Shares, Synatom will hold 20.2% of the issued and outstanding Shares, on a fully diluted basis, based on 115,801,362 Shares outstanding upon conversion of the Note.

**POWERTECH URANIUM CORP.**

**For further information, please contact:**

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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) the risk that the Company does not execute its business plan, (2) inability to finance operations and growth, (3) inability to obtain all necessary environmental and regulatory approvals, and (4) 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.*