



*Suite# 3023, Bentall Three
595 Burrard Street, PO Box 49212
Vancouver, BC, Canada, V7X 1K8
T (604) 685-9181 ▪ F (604) 685-9182*

*Suite# 140 – 5575 DTC Parkway
Greenwood Village, Colorado USA 80111
www.powertechuranium.com*

July 5, 2011

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

**POWERTECH ANNOUNCES TERMINATION OF DIEHL
AND VARRA OPTION AGREEMENTS**

VANCOUVER, B.C. – POWERTECH URANIUM CORP. (“**Powertech**” or the “**Company**”) announces the termination of an option agreement dated June 30, 2009 (the “**Agreement**”) with Howard and Donna Diehl and M.J. Diehl & Sons, Inc. (the “**Optionors**”) pursuant to which the Company was granted an option to acquire certain properties, together with associated mineral rights, related to the Company’s Centennial Project. The Company has determined not to exercise the option, which required the payment of US\$6.16 million, and has been unable to renegotiate the terms of the Agreement on terms deemed favourable to both the Company and the Optionors. It remains the objective of both the Company and the Optionors to continue to explore a relationship or transaction to work together to develop the uranium resources held by the Optionors. As a result of the termination of the Agreement, the reported indicated and inferred resources at the Company’s Centennial Project will be reduced by approximately 1.1 million pounds.

The Company also announces the termination of an option agreement with Thomas Varra and Dianne Varra (collectively “**Varra**”) pursuant to which the Company was granted an option to purchase certain properties related to the Company’s Centennial Project from Varra. These properties contain no uranium resources and were determined to not be necessary for the development of the Centennial Project.

About Powertech

Powertech is a mineral exploration and development company that, through its Denver-based subsidiary Powertech (USA), Inc., holds the Dewey-Burdock Uranium Deposit in South Dakota, the Centennial Project in Colorado and the Dewey Terrace and Aladdin Projects in Wyoming. The Company's key personnel have over 200 years of experience in the uranium industry throughout the United States, and have permitted more than a dozen in-situ operations for production. For more information, please visit <http://www.powertechuranium.com>

POWERTECH URANIUM CORP.

For further information, please contact:

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

**Thomas A. Doyle, CFO, VP Finance
Phone: (604) 685-9181
Email: info@powertechuranium.com**

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