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**December 22, 2008**

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

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## **SYNATOM AGREES TO MAKE ADDITIONAL STRATEGIC INVESTMENT IN POWERTECH**

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**POWERTECH URANIUM CORP. (December 22, 2008)** (“Powertech” or the “Company”) and **SOCIÉTÉ BELGE DE COMBUSTIBLES NUCLÉAIRES SYNATOM SA** (“Synatom”) (**Vancouver, B.C. and Brussels, Belgium**) are pleased to announce that they have entered into a Loan Agreement, pursuant to which Synatom has provided the Company with a bridge loan in the amount of Cdn.\$2,500,000 (the “Bridge Loan”). The Company has also entered into a Private Placement Agreement (the “Private Placement Agreement”) with Powertech (USA) Inc. and Synatom pursuant to which Synatom has agreed to make a strategic investment of Cdn.\$9 million by way of the purchase of a convertible debenture, subject to necessary shareholder approval at a meeting of shareholders called for that purpose. The Company intends to use the proceeds for working capital and to advance its mineral properties towards production.

### **Terms of the Bridge Loan:**

The Bridge Loan bears interest at the rate of 7% per annum, has a maturity date of the earlier of: (i) January 31, 2010, and (ii) the date on which the Company completes a debt or equity financing of not less than \$5,000,000, and is secured by a floating charge over all of the Company’s and its subsidiaries’ present and after acquired property and assets.

### **Terms of the Convertible Debenture:**

Under the terms of the Private Placement Agreement, at closing, the Company will issue a convertible debenture to Synatom in the principal amount of Cdn.\$9 million (the “Debenture”). It is a condition of closing of the Debenture that the Bridge Loan is repaid.

The Debenture would bear interest at the rate of 7% per annum, be compounded annually and will have a maturity date of December 19, 2011. The Debenture will be convertible into the Company’s common shares (the “Common Shares”) at a fixed conversion price of \$0.50 per Common Share (the “Conversion Price”) in certain circumstances. The principal amount of the Debenture, plus accrued and unpaid interest thereon, may be converted:

- (a) by the Company in the event that the Company has obtained all of the permits required to construct and operate either the Centennial or the Dewey-Burdock project; or

- (b) by Synatom at any time, provided that each conversion shall be a minimum of \$100,000 of the principal amount of the Debenture, until (a) repayment in full by the Company of any outstanding principal and interest outstanding on the Debenture, or (b) conversion upon the request of the Company pursuant to (a) above.

Repayment of the Debenture will be secured by all of the security granted by the Company and its subsidiaries in connection with the Bridge Loan.

The closing of the Debenture transaction is subject to shareholder approval and other customary closing conditions.

#### **Anti Dilution and Governance Rights:**

The Conversion Price and the number of Common Shares issuable upon conversion of the Debenture are subject to customary anti-dilution adjustments in the event of a subdivision, consolidation or reclassification of the Common Shares or the issuance of Common Shares to shareholders as a stock dividend.

In the event that the Debenture is approved by the Company's shareholders, the Company has also agreed not to take certain corporate actions without the consent of Synatom until the earlier of: (i) the conversion of the entire Debenture into Common Shares in accordance with the terms and conditions of the Debenture; and (ii) the Maturity Date. These negative covenants are in addition to, and not in substitution of, the negative covenants of the Company agreed to in connection with the private placement in June, 2008.

#### **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 February 5, 2009, for a special resolution (the "Special Resolution") approving the issuance, effectiveness, terms and conditions and conversion of the Debenture.

Each of Wallace M. Mays, the Wallace M. Mays 2006 Family Trust No. 1, Richard F. Clement, Jr., the Clement Family Limited Partnership, Thomas A. Doyle and Greg Burnett, which collectively own or exercise direction or control over an aggregate of approximately 22.9% of the outstanding Common Shares (calculated on a non-diluted basis), have entered into a Voting Agreement with Synatom, dated December 19, 2008, whereby they have each agreed to vote their Common Shares in favour of the Special Resolution. As required by the rules and policies of the TSX and Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), Synatom will not be voting any of the Common Shares that it owns at the Special Meeting.

Further details of the private placement and the aforementioned agreements will be contained in the management information circular to be mailed to shareholders of the Company on or about January 9, 2009 in connection with the Special Meeting. As required by MI 61-101, the Company has engaged a valuator to prepare a formal valuation of the Common Shares, the detail of which will be contained in the management information circular.

Copies of the Loan Agreement, the Private Placement Agreement, the Voting Agreement and the Debenture will be available on Sedar at [www.sedar.com](http://www.sedar.com).

### **About Société Belge de Combustibles Nucléaires Synatom SA**

Synatom is subsidiary of Electrabel ([www.electrabel.com](http://www.electrabel.com)), a leading European energy company which has become the largest power company in the Benelux market with a generating capacity of more than 30,000 MW. Electrabel is 100 % owned by GDF Suez an international industrial and services group ([www.gdfsuez.com](http://www.gdfsuez.com)). Synatom manages the fuel cycle for the Belgian nuclear power plants, including:

- the fuel cycle front-end management, i.e., the supply with enriched uranium of the seven nuclear power units with an annual production of around 45 TWh; and
- the fuel cycle back-end management, i.e., the management of all activities in connection with spent nuclear fuel.

In addition, Synatom manages the reserves for the costs related to spent fuel and the future dismantling of nuclear power plants. Synatom's 2007 turnover amounted to 355.162 million Euros. For more information, please visit [www.synatom.com](http://www.synatom.com)

### **About Powertech Uranium Corp.**

Powertech Uranium Corp. 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 [www.powertechuranium.com](http://www.powertechuranium.com)

#### **POWERTECH URANIUM CORP.**

Per: "*Richard F. Clement*"  
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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*