

**POWERTECH URANIUM CORP.**

**and**

**POWERTECH (USA), INC.**

**and**

**INDIAN SPRINGS LAND AND CATTLE CO., LLC**

**and**

**SOCIÉTÉ BELGE DE COMBUSTIBLES NUCLÉAIRES SYNATOM SA**

---

**REFINANCING AGREEMENT**

**FEBRUARY 4, 2011**

---

## TABLE OF CONTENTS

### ARTICLE 1 INTERPRETATION

Section 1.1	Defined Terms.....	2
Section 1.2	Headings, etc. ....	2
Section 1.3	Gender and Number.....	3
Section 1.4	Currency.....	3
Section 1.5	Numerical Expressions. ....	3
Section 1.6	Certain Phrases.....	3
Section 1.7	Statutory References.....	3
Section 1.8	Schedules.....	3

### ARTICLE 2 REFINANCING TRANSACTION

Section 2.1	Refinancing Transaction. ....	3
Section 2.2	Extension of Maturity Date. ....	4
Section 2.3	Shareholder Meeting. ....	4
Section 2.4	Offering. ....	5

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Section 3.1	Representations and Warranties of the Corporation, Powertech USA and Indian Springs.....	6
-------------	---	---

### ARTICLE 4 TERMINATION

Section 4.1	Termination Rights. ....	6
-------------	--------------------------	---

### ARTICLE 5 MISCELLANEOUS

Section 5.1	Notice.....	7
Section 5.2	Indemnification. ....	8
Section 5.3	Time of the Essence.....	9
Section 5.4	Announcements. ....	9
Section 5.5	Third Party Beneficiaries.....	9
Section 5.6	No Agency or Partnership.....	9
Section 5.7	Expenses.....	10
Section 5.8	Amendments. ....	10
Section 5.9	Waiver.....	10

Section 5.10	Entire Agreement.....	10
Section 5.11	Successors and Assigns.....	11
Section 5.12	Further Assurances.....	11
Section 5.13	Severability.....	11
Section 5.14	Governing Law.....	11
Section 5.15	Counterparts.....	11
Section 5.16	Authorship.....	12
Section 5.17	Non-Merger.....	12

## SCHEDULES

Schedule 1.1	Defined Terms
Schedule 2.1(2)(a)	Form of Termination, Voting and Lock-Up Agreement
Schedule 2.1(2)(c)	Form of New Note
Schedule 2.1(2)(d)	Form of Unsecured Guaranty Agreement

## REFINANCING AGREEMENT

Refinancing Agreement dated February 4, 2011 among Powertech Uranium Corp. (the "**Corporation**"), Powertech (USA), Inc. ("**Powertech USA**"), Indian Springs Land and Cattle Co., LLC ("**Indian Springs**"), and Société Belge de Combustibles Nucléaires Synatom SA ("**Synatom**").

**WHEREAS** among other agreements, the Corporation, Powertech USA and Synatom entered into a private placement agreement dated June 2, 2008 (the "**First Private Placement Agreement**") for, *inter alia*, the subscription, purchase and sale of 6,000,000 Shares (as defined below) for gross proceeds of \$9,000,000 in accordance with the terms and conditions of the First Private Placement Agreement;

**AND WHEREAS** Synatom, 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 entered into a shareholders' agreement dated as of June 2, 2008 (the "**Shareholders' Agreement**");

**AND WHEREAS** among other agreements, the Corporation, Powertech USA and Synatom subsequently entered into a private placement agreement dated December 19, 2008 (the "**Second Private Placement Agreement**") for the issuance and sale by the Corporation of a secured convertible debenture in the principal amount of \$9,000,000 to Synatom in accordance with the terms and conditions of the Second Private Placement Agreement;

**AND WHEREAS**, pursuant to the Second Private Placement Agreement, the Corporation issued a secured convertible debenture in the principal amount of \$9,000,000 dated February 11, 2009 (the "**Debenture**") to Synatom;

**AND WHEREAS** the Corporation, Powertech USA and Synatom entered into a loan facility placement agreement dated August 4, 2009 (the "**Loan Facility Placement Agreement**") for the provision by Synatom of a loan facility to the Corporation in the aggregate principal amount of \$13,800,000 in accordance with the terms and conditions of the Loan Facility Placement Agreement;

**AND WHEREAS**, pursuant to the Loan Facility Placement Agreement, the Corporation and Synatom entered into a loan facility dated October 14, 2009 (the "**Loan Facility**") pursuant to which Synatom made available to the Corporation up to \$13,800,000 divided into four equal tranches of \$3,450,000;

**AND WHEREAS**, pursuant to the Loan Facility, the Corporation issued four promissory notes to Synatom, each in the amount of \$3,450,000, on each of October 14, 2009, December 1, 2009, March 29, 2010 and June 30, 2010 respectively (such promissory note dated October 14, 2009 being referred to as the "**First Tranche Prior**

**Note**", whereas all such promissory notes are collectively referred to as the "**Prior Notes**" and the Prior Notes are together with the First Private Placement Agreement, the Second Private Placement Agreement, the Debenture, the Loan Facility Placement Agreement and the Loan Facility collectively referred to as the "**Prior Agreements**";

**AND WHEREAS** the Corporation proposes to complete an equity financing of not less than \$17,500,000 by way of a preliminary short form prospectus and a (final) short form prospectus for the distribution of securities of the Corporation to the public in certain provinces of Canada (the "**Offering**") in accordance with Applicable Securities Laws (as defined below);

**AND WHEREAS** subject to the completion of the Pre-Closing Conditions (as defined below), at Closing (as defined below): (i) the Parties intend to terminate the Prior Agreements upon entering into the Termination, Voting and Lock-up Agreement (as defined below) in the form attached hereto as Schedule 2.1(2)(a); (ii) the Corporation intends to pay to or to the order of Synatom, the amount of \$12,500,000; (iii) the Corporation intends to issue a \$7,500,000 unsecured non-interest bearing promissory note to Synatom, in the form attached hereto as Schedule 2.1(2)(c) (the "**New Note**"); and (iv) Powertech USA (as defined below) intends to execute and deliver in favour of Synatom an unsecured guarantee of the Corporation's obligations under the New Note, in the form attached hereto as Schedule 2.1(2)(d) (the "**Unsecured Guaranty Agreement**"), in each case in accordance with the terms and conditions of this Agreement (collectively, the "**Refinancing**");

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the foregoing and the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

## **ARTICLE 1 INTERPRETATION**

### **Section 1.1 Defined Terms.**

Capitalized terms used in this Agreement and not otherwise defined have the meanings given to them in Schedule 1.1, unless there is something in the subject matter or context inconsistent therewith.

### **Section 1.2 Headings, etc.**

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect its interpretation.

### **Section 1.3 Gender and Number.**

Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and *vice versa*.

### **Section 1.4 Currency.**

All references in this Agreement to dollars or to "\$" are expressed in Canadian currency unless otherwise specifically indicated.

### **Section 1.5 Numerical Expressions.**

Numerical expressions in this Agreement follow the international convention whereby a comma (,) separates the thousands and a full stop (.) separates the decimals.

### **Section 1.6 Certain Phrases.**

In this Agreement, (i) the words "**including**", "**includes**" and "**include**" mean "**including (or includes or include) without limitation**", and (ii) the words "**the aggregate of**", "**the total of**", "**the sum of**", or a phrase of similar meaning means "**the aggregate (or total or sum), without duplication, of**". The expressions "**Article**", "**Section**" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement. In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

### **Section 1.7 Statutory References.**

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as they may have been or may from time to time be amended, re-enacted or superseded.

### **Section 1.8 Schedules.**

The Schedules attached to this Agreement form an integral part of it for all purposes of it.

## **ARTICLE 2 REFINANCING TRANSACTION**

### **Section 2.1 Refinancing Transaction.**

- (1) This Agreement is entered into without any prejudice to any of Synatom's rights and remedies under the Prior Agreements, the Prior Security Agreements and all Contracts by and between the Parties.
- (2) Subject to the satisfaction of the Pre-Closing Conditions on or prior to the Closing Date, at the Closing Time on the Closing Date:

- (a) the Parties shall enter into the Termination, Voting and Lock-up Agreement;
- (b) the Corporation shall pay to or to the order of Synatom, the amount of \$12.5 million, by bank draft or wire transfer of immediately available funds;
- (c) the Corporation and Synatom shall enter into the New Note; and
- (d) Powertech USA shall execute and deliver the Unsecured Guaranty Agreement to Synatom.

**Section 2.2 Extension of Maturity Date.**

Notwithstanding any term or provision of the Loan Facility or of the First Tranche Prior Note, and without prejudice to any other right of Synatom arising under the Loan Facility, the First Tranche Prior Note, the Prior Agreements or otherwise, in the event that the Closing Time does not occur on or prior to the Maturity Date (as such term is defined in the Loan Facility) of the First Tranche Prior Note (the “**First Tranche Prior Note Maturity Date**”), the First Tranche Prior Note Maturity Date shall be extended to the earlier of (i) the date of termination of this Agreement in accordance with Article 3 hereof; and (ii) April 30, 2011.

**Section 2.3 Shareholder Meeting.**

- (1) The Corporation hereby represents that its Board has approved this Agreement, the Offering and the transactions contemplated hereby and has resolved to recommend that Shareholders vote for the Shareholder Resolutions at the Shareholder Meeting.
- (2) As promptly as reasonably practicable after the execution and delivery of this Agreement, the Corporation shall, in consultation with Synatom (i) establish a record date for, duly call, give notice of, convene and hold the Shareholder Meeting at a date no later than March 31, 2011; and (ii) prepare the Circular, together with any other documents required by the charter documents and by-laws of the Corporation and applicable Laws (including a formal valuation, if required by Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*) in connection with the Shareholder Meeting. The Circular shall include, among other things, the recommendation of the Board as described in Section 2.3(1), and shall otherwise be in form and substance satisfactory to Synatom and its advisors, acting reasonably. As promptly as practicable after the execution and delivery of this Agreement, the Corporation will file the Circular and any other documentation required to be filed under applicable Laws in all jurisdictions where the Circular is required to be filed by the Corporation and mail or cause to be mailed the Circular and any other documentation required to be mailed under the charter documents and by-laws of the Corporation or



- applicable Laws in connection with the Shareholder Meeting to each Shareholder and each other Person to whom such documents are required to be sent under the charter documents and by-laws of the Corporation and under applicable Laws.
- (3) Synatom and the Corporation shall proceed diligently, in a coordinated fashion and use their commercially reasonable efforts to co-operate in the preparation of the Circular as described in Section 2.3(1), and of any exemptive relief applications or orders and any other documents deemed reasonably necessary by any of them to discharge their respective obligations under applicable Laws.
  - (4) Synatom and the Corporation shall furnish to each other, on a timely basis, all information as may be reasonably required to effectuate the foregoing actions.
  - (5) The Corporation shall ensure that the Circular complies, in all material respects, with all applicable Laws and, without limiting the generality of the foregoing, that the Circular does not contain a Misrepresentation (except that this covenant does not speak with respect to any information relating to and provided by Synatom) and provides the Shareholders with information in sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before them at the Shareholder Meeting.
  - (6) The Corporation shall not adjourn, postpone or cancel (or propose for adjournment, postponement or cancellation) the Shareholder Meeting, or amend the record dates for notice of, or voting at, the Shareholder Meeting, without Synatom's prior written consent, which consent will not be unreasonably withheld, except as required by applicable Laws. The Corporation shall keep Synatom updated with respect to proxy solicitation results as reasonably requested by Synatom.
  - (7) The Corporation represents that, to the best of its knowledge, each of the directors and senior officers of the Corporation intends to vote, or cause to be voted, all Shares of which he or she is the beneficial owner in favour of the Shareholder Resolutions.

#### **Section 2.4 Offering.**

- (1) The Corporation shall use its best efforts to proceed with and complete the Offering on or prior to April 26, 2011, including taking all steps and proceedings as may be necessary for the Corporation to qualify the distribution of the securities to be sold on the Offering. The Corporation shall comply with all Applicable Securities Laws in proceeding with the Offering.
- (2) The Corporation shall deliver or cause to be delivered, to Synatom, without charge, contemporaneously with or prior to the filing of any prospectus or

supplementary offering materials prepared in connection with the Offering, as the case may be:

- (a) a copy of such prospectus, including copies of all documents incorporated by reference therein, and a copy of any such private placement memorandum prepared for use in connection with the Offering; and
- (b) a copy of any supplementary offering material required to be filed by the Corporation under the Applicable Securities Laws in connection with the Offering.

### **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

#### **Section 3.1 Representations and Warranties of the Corporation, Powertech USA and Indian Springs**

Each of the Corporation, Powertech USA and Indian Springs represent and warrant in favour of Synatom, acknowledging and confirming that Synatom is relying on such representation and warranty in connection with the transactions contemplated in the Refinancing, that: (i) No Event of Default (as defined in the Debenture), and no event which, with the giving of notice or passage of time, or both, would constitute an Event of Default (as defined in the Debenture), has occurred or is continuing under the Debenture; and (ii) No Event of Default (as defined in the Loan Facility), and no event which, with the giving of notice or passage of time, or both, would constitute an Event of Default (as defined in the Loan Facility), has occurred or is continuing under the Loan Facility.

### **ARTICLE 4 TERMINATION**

#### **Section 4.1 Termination Rights.**

- (1) This Agreement may, by notice in writing given prior to the Closing, be terminated:
  - (a) by mutual consent of the Parties;
  - (b) by Synatom, if any Person (other than Synatom, any of its Affiliates or any other Person with which Synatom is acting in concert) announces, or announces its intention to make, a public take-over bid for all or part of the Shares, or if any Person (other than Synatom, any of its Affiliates or any other Person with which Synatom is acting in concert) acquires, or enters into any Contract to acquire, more than 20% of the Shares, calculated on a non-diluted basis;

- (c) by Synatom if there has been a material breach of any provision of this Agreement by the Corporation or a US Subsidiary and such breach has not been waived by Synatom; or
  - (d) by the Corporation if there has been a material breach of any provision of this Agreement by Synatom and such breach has not been waived by the Corporation.
- (2) Notwithstanding any other provision of this Agreement, this Agreement shall automatically terminate at 12:01 am (Toronto time) on April 30, 2011 if the Closing shall not have occurred on or prior to such time.

## ARTICLE 5 MISCELLANEOUS

### Section 5.1 Notice.

- (1) Any notice, direction or other communication (each a “**Notice**”) given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

To Synatom at:

Avenue Ariane 7, 1200  
Brussels, Belgium  
Attention: M. Robert Leclère, Chief Executive Officer  
Telephone: 32 2 505 07 35  
Facsimile: 32 2 505 07 90

With a copy, which shall not constitute notice, to:

Stikeman Elliott LLP  
Barristers and Solicitors  
199 Bay Street  
Toronto, Ontario  
M5L 1B9  
Attention: Donald Belovich  
Telephone: 416 869 5606  
Facsimile: 416 947 0866

To the Corporation and to Powertech USA and to Indian Springs at:

Powertech Uranium Corp.  
1205-789 West Pender Street  
Vancouver, BC V6V 1H2  
Attention: Thomas A. Doyle  
Telephone: 604 685 9181  
Facsimile: 604 685 9182

With a copy, which shall not constitute notice, to:

Clark & Wilson LLP  
Barristers and Solicitors  
800-885 West Georgia Street  
Vancouver, BC V6C 3H1  
Attention: Virgil Z. Hlus  
Telephone: 604 891 7707  
Facsimile: 604 687 6314

- (2) A Notice is deemed to be delivered and received (i) if sent by personal delivery, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; (iii) if sent by overnight courier, on the next Business Day; or (iv) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed.

## **Section 5.2 Indemnification.**

- (1) The Corporation, Powertech USA and Indian Springs will jointly and severally indemnify and save harmless Synatom and its shareholders, directors, officers, employees, affiliates, agents and representatives (collectively, the "**Synatom Indemnified Parties**") harmless of and from, and will pay for, any Damages suffered by, imposed upon or asserted against any of them as a result of, in respect of, connected with, or arising out of, under, or pursuant to any failure of the Corporation, Powertech USA or Indian Springs to perform or fulfil any of their respective covenants or obligations under this Agreement.

- (2) Synatom will indemnify and save harmless the Corporation, Powertech USA and Indian Springs and their respective shareholders, directors, officers, employees, affiliates, agents and representatives (collectively, the “**Powertech Indemnified Parties**”) harmless of and from, and will pay for, any Damages suffered by, imposed upon or asserted against any of them as a result of, in respect of, connected with, or arising out of, under, or pursuant to any failure of Synatom to perform or fulfil any of its obligations under this Agreement.

**Section 5.3 Time of the Essence.**

Time shall be of the essence of this Agreement.

**Section 5.4 Announcements.**

The Parties shall consult with each other before issuing any press release, news release or otherwise making any filings or public statements with respect to this Agreement and the transactions contemplated herein and shall not issue such press release without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed, in each case, subject to applicable Laws and the exercise of such fiduciary duties, as may be appropriate.

**Section 5.5 Third Party Beneficiaries.**

Except as otherwise provided in Section 5.2, the Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties. Except for the Synatom Indemnified Parties and the Powertech Indemnified Parties, no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. Despite the foregoing, the Corporation acknowledges to each of the Synatom Indemnified Parties their direct rights against it under Section 5.2(1) of this Agreement, and Synatom acknowledges to each of the Powertech Indemnified Parties their direct rights against it under Section 5.2(2) of this Agreement. To the extent required by law to give full effect to these direct rights, Synatom acknowledges and agrees that they are acting as agent and/or as trustee of Synatom Indemnified Parties and the Corporation acknowledges and agrees that they are acting as agent and/or as trustee of Powertech Indemnified Parties. The Parties reserve their right to vary or rescind the rights, granted by or under this Agreement to any Person who is not a Party, at any time and in any way whatsoever, without notice to or consent of that Person, including any Synatom Indemnified Party or Powertech Indemnified Party.

**Section 5.6 No Agency or Partnership.**

Nothing contained in this Agreement makes or constitutes any Party, or any of its directors, officers or employees, the representative, agent, principal, partner, joint venturer, employer or employee of any other Party. It is understood that no Party has the capacity to make commitments of any kind or incur obligations or liabilities binding upon any other Party.

**Section 5.7 Expenses.**

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses incurred in connection with this Agreement and the transactions contemplated by it. The fees and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants. For greater certainty, the Parties acknowledge that the Agent has acted as the sole financial advisor to the Corporation in connection with, among other things, the Offering contemplated herein and the Corporation acknowledges that it shall be solely responsible for the fees and expenses of the Agent in accordance with the terms and conditions of the Engagement Letter.

**Section 5.8 Amendments.**

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by all of the Parties.

**Section 5.9 Waiver.**

- (1) No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.
- (2) If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.

**Section 5.10 Entire Agreement.**

This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, other than those contained in the Prior Agreements, the Prior Security Agreements, as contemplated therein or as contained in written agreements entered into in connection therewith. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement or as contained in the Prior Agreements, the Prior Security Agreements, as contemplated therein or as contained in written agreements entered into in connection therewith. The Parties

have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement, except as set out herein or in the Prior Agreements, the Prior Security Agreements, as contemplated therein or as contained in written agreements entered into in connection therewith. For greater certainty, notwithstanding the foregoing, each of the Prior Agreements, the Prior Security Agreements, and the written agreements entered into in connection therewith remains in full force and effect subject to the terms thereof.

**Section 5.11 Successors and Assigns.**

- (1) This Agreement becomes effective only when executed by all of the Parties. After that time, it is binding on and enures to the benefit of the Parties and their respective heirs, administrators, executors, legal personal representatives, successors and permitted assigns.
- (2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Parties.

**Section 5.12 Further Assurances.**

The Parties agree to execute and deliver such further and other papers, cause such meetings to be held, resolutions to be passed, exercise their vote and influence, and do and perform and cause to be done and performed, such further and other acts and things that may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

**Section 5.13 Severability.**

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

**Section 5.14 Governing Law.**

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Parties irrevocably attorn and submit to the non-exclusive jurisdiction of the courts of the Province of British Columbia with respect to any matters arising out of this Agreement and waive objection to the venue of any proceeding in such courts or that such courts provide an inconvenient forum.

**Section 5.15 Counterparts.**

This Agreement may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same document. Receipt of an originally executed counterpart signature page by facsimile

or an electronic reproduction of an originally executed counterpart signature page by electronic mail is effective execution and delivery of this Agreement.

**Section 5.16 Authorship.**

The Parties to this Agreement waive the application to this Agreement of any laws or rule of construction providing that ambiguities in any agreement or other document shall be construed against the Party drafting such agreement or other document.

**Section 5.17 Non-Merger.**

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the Closing. Notwithstanding the Closing or any investigation made by or on behalf of any Party, the covenants, representations and warranties shall continue in full force and effect. Closing shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Note or in respect of any right to damages or other remedies.

*The remainder of this page has been intentionally left blank.*



**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the date first written above.

**POWERTECH URANIUM CORP.**

By: "Tom Doyle"  
Authorized Signing Officer

**POWERTECH (USA), INC.**

By: "Tom Doyle"  
Authorized Signing Officer

**INDIAN SPRINGS LAND AND  
CATTLE CO., LLC**

By: "Patrick Miller"  
Authorized Signing Officer

**SOCIÉTÉ BELGE DE COMBUSTIBLES  
NUCLÉAIRES SYNATOM SA**

By: "Robert LeClere"  
Authorized Signing Officer

By: "P. Laurent"  
Authorized Signing Officer

## SCHEDULE 1.1 DEFINED TERMS

“**Affiliate**” or “**affiliate**” means, unless otherwise specified, an affiliate within the meaning of Section 1.2 of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

“**Agent**” means Salman Partners Inc.

“**Agreement**” means this refinancing agreement and all Schedules attached to it and the expressions “**Article**” and “**Section**”, followed by a number mean and refer to the specified Article or Section of this Agreement.

“**Applicable Securities Laws**” means the Securities Act and all other applicable Canadian securities Laws.

“**Board**” means the board of directors of the Corporation.

“**Business Day**” means any day of the year, other than a Saturday, a Sunday or any day on which banks are required or authorized to close in Vancouver, British Columbia or Brussels, Belgium.

“**Circular**” means the notice of Shareholder Meeting and the accompanying management information circular to be sent to Shareholders in connection with the Shareholder Meeting, as the same may be amended, supplemented or otherwise modified subject to this Agreement.

“**Closing**” means the completion of the Refinancing as contemplated in this Agreement.

“**Closing Time**” means 8:00 am (Vancouver time) / 11 am (Toronto time) / 5 pm (Brussels time) on the Closing Date.

“**Closing Date**” means the first Business Day following the fulfillment of the last of the Pre-Closing Conditions, provided that such conditions have been fulfilled on or prior to 12:01 am (Toronto time) on April 30, 2011.

“**Contract**” means any agreement, contract, licence, mortgage, deed of trust, pledge, guaranty, security agreement, security pledge agreement, undertaking, engagement or commitment of any nature, written or oral.

“**Corporation**” means Powertech Uranium Corp., a corporation organized under the laws of British Columbia.

“**Damages**” means any losses, liabilities, damages or expenses (including legal fees and expenses) whether resulting from an action, suit, proceeding, arbitration, claim

or demand that is instituted or asserted by a third party, including a Governmental Entity, or a cause, matter, thing, act, omission or state of facts not involving a third party.

**“Debenture”** has the meaning ascribed thereto in the Recitals.

**“Engagement Letter”** means the engagement letter between the Corporation and the Agent dated February 2, 2011.

**“First Private Placement Agreement”** has the meaning ascribed thereto in the Recitals.

**“First Tranche Prior Note”** has the meaning ascribed thereto in the Recitals.

**“First Tranche Prior Note Maturity Date”** has the meaning ascribed thereto in Section 2.2.

**“Governmental Entity”** means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and includes any Securities Regulatory Authority.

**“Indian Springs”** means Indian Springs Land and Cattle Co., LLC.

**“Laws”** means applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, statutory rules, principles of common and civil law and equity, terms and conditions of any grant of approval, permission, orders, decrees, rules, regulations and municipal by-laws, whether domestic, foreign or international; (ii) judicial, arbitral, administrative, ministerial, departmental and regulatory judgments, orders, writs, injunctions, decisions, rulings, authority, licence, decrees and awards of any Governmental Entity (including the Securities Regulatory Authorities); and (iii) policies, practices and guidelines of any Governmental Entity (including the Securities Regulatory Authorities), which, although not actually having the force of law, are considered by such Governmental Entity as requiring compliance as if having the force of law, in each case binding on or affecting the Person, or the assets of the Person, referred to in the context in which such word is used, and the term “applicable” with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority (including the Securities Regulatory Authorities) having jurisdiction over

the Person or Persons or its or their business, undertaking, property or securities, in each case as such Laws may be amended from time to time.

**“Loan Facility”** has the meaning ascribed thereto in the Recitals.

**“Loan Facility Placement Agreement”** has the meaning ascribed thereto in the Recitals.

**“Misrepresentation”** has the meaning ascribed to such term under the Applicable Securities Laws.

**“New Note”** has the meaning ascribed thereto in the Recitals.

**“Notice”** has the meaning specified in Section 5.1.

**“Offering”** has the meaning ascribed thereto in the Recitals.

**“Parties”** means the Corporation, Powertech USA, Indian Springs and Synatom.

**“Person”** means a natural person, partnership, limited partnership, limited liability partnership, limited liability company, unlimited liability company, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

**“Powertech Indemnified Parties”** has the meaning ascribed thereto in Section 5.2(2).

**“Powertech USA”** means Powertech (USA) Inc., a corporation organized under the laws of South Dakota.

**“Pre-Closing Conditions”** means (i) the approval of the Shareholders Resolution by Shareholders at the Shareholders Meeting; (ii) the completion of the Offering; and (iii) the termination of the Shareholders’ Agreement by written agreement executed by all of the parties thereto.

**“Prior Agreements”** has the meaning ascribed thereto in the Recitals.

**“Prior Security Agreements”** means, collectively, all security agreements, security pledge agreements, deeds of trust, mortgages, fixture filings, assignments of leases and proceeds, acknowledgements and confirmations and all other collateral or security documents made or entered into by the Corporation, Powertech USA and/or Indian Springs prior to the date hereof in favour of Synatom, including, without limitation, the Security Agreement of Powertech USA dated December 19, 2008, the Security Agreement of Indian Springs dated December 19, 2008, the Amended and Restated Security Pledge Agreement between the Corporation and Synatom dated February 11, 2009, the Amended and Restated Security Pledge

Agreement between Powertech USA and Synatom dated February 11, 2009, the Confirmation and Acknowledgment of Powertech USA dated August 4, 2009, the Confirmation and Acknowledgment of Indian Springs dated August 4, 2009, the Guaranty of Powertech USA dated August 4, 2009, the Guaranty of Indian Springs dated August 4, 2009, the Confirmation and Acknowledgment of Powertech dated October 15, 2009, and the Confirmation and Acknowledgment of Powertech USA dated October 14, 2009.

**"Prior Notes"** has the meaning ascribed thereto in the Recitals.

**"Recitals"** means the recitals to this Agreement.

**"Refinancing"** has the meaning ascribed thereto in the Recitals.

**"Second Private Placement Agreement"** has the meaning ascribed thereto in the Recitals.

**"Securities Act"** means the *Securities Act* (British Columbia), and all rules, regulations, orders, notices and policy statements thereunder, as amended from time to time, and any successor legislation.

**"Securities Regulatory Authorities"** means collectively, the provincial and territorial securities regulatory authority in each of the provinces and territories of Canada, and the TSX.

**"Shares"** means the common shares in the capital of the Corporation.

**"Shareholder Meeting"** means the special meeting of the Shareholders, including any adjournment or postponement thereof, to be called and held to consider the Shareholder Resolutions.

**"Shareholder Resolutions"** means the resolutions regarding: (i) the Refinancing; and (ii) if required by the TSX, the Offering, to be considered by the Shareholders at a special meeting of Shareholders called for that purpose, such resolutions to be in form and substance satisfactory to the Corporation and Synatom, acting reasonably.

**"Shareholders"** means holders of Shares.

**"Shareholders' Agreement"** has the meaning ascribed thereto in the Recitals.

**"Synatom"** means Société Belge de Combustibles Nucléaires Synatom SA, a corporation organized under the laws of Belgium and registered with the register of legal entities at Brussels under number BE 0406820671.

**"Synatom Indemnified Parties"** has the meaning ascribed thereto in Section 5.2(1).

**“Termination, Voting and Lock-up Agreement”** means the Termination, Voting and Lock-up Agreement in the form attached hereto as Schedule 2.1(2)(a).

**“TSX”** means the Toronto Stock Exchange.

**“Unsecured Guaranty Agreement”** has the meaning ascribed thereto in the Recitals.

**“US Subsidiaries”** means Powertech USA and Indian Springs.

**SCHEDULE 2.1(2)(a)**  
**FORM OF TERMINATION, VOTING AND LOCK-UP AGREEMENT**

See attached.

**POWERTECH URANIUM CORP.**

**and**

**POWERTECH (USA), INC.**

**and**

**INDIAN SPRINGS LAND AND CATTLE CO., LLC**

**and**

**SOCIÉTÉ BELGE DE COMBUSTIBLES NUCLÉAIRES SYNATOM SA**

---

**TERMINATION, VOTING AND LOCK-UP AGREEMENT**

\_\_\_\_\_, 2011

---



**TABLE OF CONTENTS**

**ARTICLE 1  
INTERPRETATION**

Section 1.1	Defined Terms.....	2
Section 1.2	Headings, etc. ....	2
Section 1.3	Gender and Number.....	2
Section 1.4	Currency.....	2
Section 1.5	Numerical Expressions. ....	2
Section 1.6	Certain Phrases.....	2
Section 1.7	Statutory References.....	2
Section 1.8	Schedules.....	3

**ARTICLE 2  
REPRESENTATIONS AND WARRANTIES, ACKNOWLEDGEMENT AND  
TERMINATION PRIOR AGREEMENTS**

Section 2.1	Representations and Warranties of the Corporation, Powertech USA and Indian Springs.....	3
Section 2.2	Acknowledgment regarding Funds Received and New Note .....	3
Section 2.3	Termination of Prior Agreements.....	3
Section 2.4	Discharge of Security.....	3

**ARTICLE 3  
LOCK-UP**

Section 3.1	Lock-Up Period. ....	4
-------------	----------------------	---

**ARTICLE 4  
VOTING BY SYNATOM DURING LOCK-UP PERIOD**

Section 4.1	Voting by Synatom During the Lock-up Period. ....	4
-------------	---	---

**ARTICLE 5  
MISCELLANEOUS**

Section 5.1	Notice.....	4
Section 5.2	Time of the Essence.....	6
Section 5.3	Announcements. ....	6
Section 5.4	Third Party Beneficiaries.....	6
Section 5.5	No Agency or Partnership.....	6
Section 5.6	Expenses.....	6
Section 5.7	Amendments. ....	7
Section 5.8	Waiver.....	7

Section 5.9	Entire Agreement.....	7
Section 5.10	Successors and Assigns.....	7
Section 5.11	Further Assurances.....	8
Section 5.12	Severability.....	8
Section 5.13	Governing Law.....	8
Section 5.14	Counterparts.....	8
Section 5.15	Authorship.....	8
Section 5.16	Non-Merger.....	8

## SCHEDULES

Schedule 1.1	Defined Terms
--------------	---------------

## TERMINATION, VOTING AND LOCK-UP AGREEMENT

Termination, Voting and Lock-up Agreement dated \_\_\_\_\_, 2011 among Powertech Uranium Corp. (the "**Corporation**"), Powertech (USA), Inc. ("**Powertech USA**"), Indian Springs Land and Cattle Co., LLC ("**Indian Springs**"), and Société Belge de Combustibles Nucléaires Synatom SA ("**Synatom**").

**WHEREAS** the Parties entered into a refinancing agreement dated February 4, 2011 (the "**Refinancing Agreement**") providing for, among other things, the Refinancing (as defined below);

**AND WHEREAS** the shareholders' agreement among Synatom, 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 dated as of June 2, 2008 has been terminated by written agreement of the parties thereto;

**AND WHEREAS** the resolutions regarding the Refinancing were considered and passed by the shareholders of the Corporation at a special meeting of Shareholders held on March 14, 2011 that was called for that purpose;

**AND WHEREAS** the Corporation has completed an equity financing of \$\_\_\_\_\_ by way of a preliminary short form prospectus and a (final) short form prospectus for the distribution of securities of the Corporation to the public in certain provinces of Canada in accordance with applicable securities laws;

**AND WHEREAS** pursuant to the Refinancing Agreement, among other things, on the date hereof (i) the Parties intend to terminate the Prior Agreements (as defined herein) upon entering into this Agreement; (ii) the Corporation intends to pay to or to the order of Synatom, the amount of \$12,500,000; (iii) the Corporation and Synatom entered into a unsecured non-interest bearing promissory note (the "**New Note**"), pursuant to which the Corporation has agreed to repay to Synatom the amount of \$7,500,000; (iv) Powertech USA executed and delivered in favour of Synatom an unsecured guarantee (the "**Unsecured Guaranty Agreement**") of the Corporation's obligations under the New Note (collectively, the "**Refinancing**");

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the foregoing and the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

## ARTICLE 1 INTERPRETATION

### Section 1.1 Defined Terms.

Capitalized terms used in this Agreement and not otherwise defined have the meanings given to them in Schedule 1.1 of this Agreement, unless there is something in the subject matter or context inconsistent therewith.

### Section 1.2 Headings, etc.

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect its interpretation.

### Section 1.3 Gender and Number.

Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and *vice versa*.

### Section 1.4 Currency.

All references in this Agreement to dollars or to "\$" are expressed in Canadian currency unless otherwise specifically indicated.

### Section 1.5 Numerical Expressions.

Numerical expressions in this Agreement follow the international convention whereby a comma (,) separates the thousands and a full stop (.) separates the decimals.

### Section 1.6 Certain Phrases.

In this Agreement, (i) the words "**including**", "**includes**" and "**include**" mean "**including (or includes or include) without limitation**", and (ii) the words "**the aggregate of**", "**the total of**", "**the sum of**", or a phrase of similar meaning means "**the aggregate (or total or sum), without duplication, of**". The expressions "**Article**", "**Section**" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement. In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

### Section 1.7 Statutory References.

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as they may have been or may from time to time be amended, re-enacted or superseded.

**Section 1.8 Schedules.**

The Schedules attached to this Agreement form an integral part of it for all purposes of it.

**ARTICLE 2  
REPRESENTATIONS AND WARRANTIES, ACKNOWLEDGEMENT AND  
TERMINATION PRIOR AGREEMENTS**

**Section 2.1 Representations and Warranties of the Corporation, Powertech USA and Indian Springs**

Each of the Corporation, Powertech USA and Indian Springs represent and warrant in favour of Synatom, acknowledging and confirming that Synatom is relying on such representation and warranty in connection with the transactions contemplated in the Refinancing, that: (i) No Event of Default (as defined in the Debenture), and no event which, with the giving of notice or passage of time, or both, would constitute an Event of Default (as defined in the Debenture), has occurred or is continuing under the Debenture; and (ii) No Event of Default (as defined in the Loan Facility), and no event which, with the giving of notice or passage of time, or both, would constitute an Event of Default (as defined in the Loan Facility), has occurred or is continuing under the Loan Facility.

**Section 2.2 Acknowledgment regarding Funds Received and New Note**

Synatom hereby acknowledges receipt of (i) the amount of \$12.5 million from the Corporation; and (ii) the New Note, that have been paid and delivered pursuant to Sections 2.1(2)(b) and (c), respectively of the Refinancing Agreement. The Parties acknowledge and agree that such payment has been made, and the New Note delivered to Synatom, on account of the principal amounts owing pursuant to the Debenture and the Prior Notes and not on account of interest owing thereunder.

**Section 2.3 Termination of Prior Agreements.**

As of the date hereof, the Prior Agreements, including all rights and obligations of the Parties under such Prior Agreements, are terminated, null, void and of no further force and effect.

**Section 2.4 Discharge of Security.**

(1) In connection with the foregoing, and the other transactions contemplated herein, Synatom irrevocably and unconditionally acknowledges and agrees that (i) all mortgages, charges, assignments, transfers, pledges, liens, encumbrances, guarantees, agreements and other security interests of Synatom in and to or affecting any of the shares, undertaking, property and assets of the Corporation or the US Subsidiaries, including, without limitation, the mortgages, charges, assignments, transfers, pledges, liens, encumbrances, guarantees, agreements and other security interests issued, granted, given, made or otherwise entered into pursuant to, or in respect of,

or otherwise referred to in, or contemplated by the Prior Agreements (collectively, the “**Security Interests**”) are hereby released and discharged, and (ii) all original share certificates, promissory notes, debentures and other collateral or property in the possession of Synatom will be delivered to the Corporation as soon as reasonably practicable following the date hereof.

- (2) Synatom agrees to promptly execute and deliver, at the request and expense of the Corporation, all financing statements, discharge statements, and all other documents and instruments reasonably required to evidence or record the discharge and release by Synatom of the Security Interests and Synatom irrevocably authorizes the Corporation and its counsel and agents including, without limitation, Clark & Wilson LLP, at the Corporation’s expense, to take all steps and proceedings required to give effect to the full discharge of any registrations effected in favour of Synatom in respect of the Security Interests granted by the Corporation and the US Subsidiaries in favour of Synatom.

### **ARTICLE 3 LOCK-UP**

#### **Section 3.1 Lock-Up Period.**

Synatom covenants that during the Lock-up Period, it will not, directly or indirectly, sell, grant an option or right for the sale of, or otherwise dispose of, or announce any intention to do so, the 10,890,000 Shares beneficially owned by Synatom on the date hereof, without the prior written consent of the Corporation.

### **ARTICLE 4 VOTING BY SYNATOM DURING LOCK-UP PERIOD**

#### **Section 4.1 Voting by Synatom During the Lock-up Period.**

Synatom hereby covenants and agrees in favour of the Corporation to vote, or cause to be voted, all of the Shares beneficially owned by Synatom in favour of management of the Corporation’s proposed slate of directors at any meeting of Shareholders held during the Lock-Up Period.

### **ARTICLE 5 MISCELLANEOUS**

#### **Section 5.1 Notice.**

- (1) Any notice, direction or other communication (each a “**Notice**”) given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

To Synatom at:

Avenue Ariane 7, 1200  
Brussels, Belgium  
Attention: M. Robert Leclère, Chief Executive Officer  
Telephone: 32 2 505 07 35  
Facsimile: 32 2 505 07 90

With a copy, which shall not constitute notice, to:

Stikeman Elliott LLP  
Barristers and Solicitors  
199 Bay Street  
Toronto, Ontario  
M5L 1B9  
Attention: Donald Belovich  
Telephone: 416 869 5606  
Facsimile: 416 947 0866

To the Corporation and to Powertech USA and to Indian Springs at:

Powertech Uranium Corp.  
1205-789 West Pender Street  
Vancouver, BC V6V 1H2  
Attention: Thomas A. Doyle  
Telephone: 604 685 9181  
Facsimile: 604 685 9182

With a copy, which shall not constitute notice, to:

Clark & Wilson LLP  
Barristers and Solicitors  
800-885 West Georgia Street  
Vancouver, BC V6C 3H1  
Attention: Virgil Z. Hlus  
Telephone: 604 891 7707  
Facsimile: 604 687 6314

- (2) A Notice is deemed to be delivered and received (i) if sent by personal delivery, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; (iii) if sent by overnight courier, on the next Business Day; or (iv) if sent by facsimile, on the Business Day following the date of confirmation of

transmission by the originating facsimile. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed.

**Section 5.2 Time of the Essence.**

Time shall be of the essence of this Agreement.

**Section 5.3 Announcements.**

The Parties shall consult with each other before issuing any press release, news release or otherwise making any filings or public statements with respect to this Agreement and the transactions contemplated herein and shall not issue such press release without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed, in each case, subject to applicable laws and the exercise of such fiduciary duties, as may be appropriate.

**Section 5.4 Third Party Beneficiaries.**

The Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties. No Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to vary or rescind the rights, granted by or under this Agreement to any Person who is not a Party, at any time and in any way whatsoever, without notice to or consent of that Person.

**Section 5.5 No Agency or Partnership.**

Nothing contained in this Agreement makes or constitutes any Party, or any of its directors, officers or employees, the representative, agent, principal, partner, joint venturer, employer or employee of any other Party. It is understood that no Party has the capacity to make commitments of any kind or incur obligations or liabilities binding upon any other Party.

**Section 5.6 Expenses.**

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses incurred in connection with this Agreement and the transactions contemplated by it. The fees and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants.



**Section 5.7 Amendments.**

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by all of the Parties.

**Section 5.8 Waiver.**

- (1) No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.
- (2) If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.

**Section 5.9 Entire Agreement.**

This Agreement, together with the Ancillary Agreements, constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Note and the Ancillary Agreements. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement, except as set out herein or in the Ancillary Agreements. For greater certainty, notwithstanding the foregoing, each of the Ancillary Agreements remains in full force and effect subject to the terms thereof.

**Section 5.10 Successors and Assigns.**

- (1) This Agreement becomes effective only when executed by all of the Parties. After that time, it is binding on and enures to the benefit of the Parties and their respective heirs, administrators, executors, legal personal representatives, successors and permitted assigns.
- (2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Parties.

**Section 5.11 Further Assurances.**

The Parties agree to execute and deliver such further and other papers, cause such meetings to be held, resolutions to be passed, exercise their vote and influence, and do and perform and cause to be done and performed, such further and other acts and things that may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

**Section 5.12 Severability.**

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

**Section 5.13 Governing Law.**

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Parties irrevocably attorn and submit to the non-exclusive jurisdiction of the courts of the Province of British Columbia with respect to any matters arising out of this Agreement and waive objection to the venue of any proceeding in such courts or that such courts provide an inconvenient forum.

**Section 5.14 Counterparts.**

This Agreement may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same document. Receipt of an originally executed counterpart signature page by facsimile or an electronic reproduction of an originally executed counterpart signature page by electronic mail is effective execution and delivery of this Agreement.

**Section 5.15 Authorship.**

The Parties to this Agreement waive the application to this Agreement of any laws or rule of construction providing that ambiguities in any agreement or other document shall be construed against the Party drafting such agreement or other document.

**Section 5.16 Non-Merger.**

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the closing of the transactions contemplated in this Agreement. Notwithstanding the closing of the transactions contemplated in this Agreement or any investigation made by or on behalf of any Party, the covenants, representations and warranties shall continue in full force and effect. The closing of the transactions contemplated in this Agreement shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the date first written above.

**POWERTECH URANIUM CORP.**

By: \_\_\_\_\_  
Authorized Signing Officer

**POWERTECH (USA), INC.**

By: \_\_\_\_\_  
Authorized Signing Officer

**INDIAN SPRINGS LAND AND  
CATTLE CO., LLC**

By: \_\_\_\_\_  
Authorized Signing Officer

**SOCIÉTÉ BELGE DE COMBUSTIBLES  
NUCLÉAIRES SYNATOM SA**

By: \_\_\_\_\_  
Authorized Signing Officer

By: \_\_\_\_\_  
Authorized Signing Officer

## SCHEDULE 1.1 DEFINED TERMS

“**Affiliate**” or “**affiliate**” means, unless otherwise specified, an affiliate within the meaning of Section 1.2 of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

“**Agreement**” means this refinancing agreement and all Schedules attached to it and the expressions “**Article**” and “**Section**”, followed by a number mean and refer to the specified Article or Section of this Agreement.

“**Ancillary Agreements**” mean the Refinancing Agreement, the New Note and the Unsecured Guaranty Agreement.

“**Board**” means the board of directors of the Corporation.

“**Business Day**” means any day of the year, other than a Saturday, a Sunday or any day on which banks are required or authorized to close in Vancouver, British Columbia or Brussels, Belgium.

“**Change of Control**” means:

- (i) the sale by the Corporation of all or substantially all of its assets;
- (ii) the acceptance by the Shareholders, representing in the aggregate fifty percent (50%) or more of all of the issued Shares, of any offer, whether by way of a takeover bid or otherwise, for all or any of the outstanding Shares;
- (iii) the acquisition, by whatever means, by a person (or two or more persons who, in such acquisition, have acted jointly or in concert or intend to exercise jointly or in concert any voting rights attaching to the Shares acquired), directly or indirectly, of beneficial ownership of such number of Shares or rights to Shares, which together with such person’s then-owned Shares and rights to Shares, if any, represent (assuming the full exercise of such rights) fifty percent (50%) or more of the combined voting rights attached to the then-outstanding Shares;
- (iv) the entering into of any agreement by the Corporation to merge, consolidate, restructure, amalgamate, initiate an arrangement or be absorbed by, into or with another corporation other than a corporation wholly owned by the Corporation;
- (v) the passing of a resolution by the Board or Shareholders to substantially liquidate the assets of the Corporation or wind up the

Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re-arrangement); or

- (vi) the circumstance in which individuals who were members of the Board immediately prior to a meeting of the Shareholders involving a contest for the election of directors no longer constitute a majority of the Board following such election.

**"Corporation"** means Powertech Uranium Corp., a corporation organized under the laws of British Columbia.

**"Debenture"** means the secured convertible debenture in the principal amount of \$9,000,000 dated February 11, 2009 issued by the Corporation to Synatom pursuant to the Second Private Placement Agreement.

**"Event of Default"** means an Event of Default under the New Note, as defined in Section 5.1 thereof.

**"First Private Placement Agreement"** means the private placement agreement among the Corporation, Powertech USA and Synatom dated June 2, 2008.

**"Indian Springs"** means Indian Springs Land and Cattle Co., LLC.

**"Loan Facility"** means the loan facility between the Corporation and Synatom dated October 14, 2009 entered into pursuant to the Loan Facility Placement Agreement.

**"Loan Facility Placement Agreement"** means the loan facility placement agreement among the Corporation, Powertech USA and Synatom dated August 4, 2009.

**"Lock-up Period"** means the period from the date hereof to earlier of: (i) the date that is eighteen months from the date hereof; (ii) the date upon which a Change of Control occurs; and (iii) the date upon which an Event of Default occurs.

**"New Note"** has the meaning ascribed thereto in the Recitals.

**"Notice"** has the meaning specified in Section 5.1.

**"Parties"** means the Corporation, Powertech USA, Indian Springs and Synatom.

**“Person”** means a natural person, partnership, limited partnership, limited liability partnership, limited liability company, unlimited liability company, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

**“Powertech USA”** means Powertech (USA) Inc., a corporation organized under the laws of South Dakota.

**“Prior Agreements”** means, collectively, the First Private Placement Agreement, the Second Private Placement Agreement, the Debenture, the Loan Facility Placement Agreement, the Loan Facility and the Prior Notes.

**“Prior Notes”** means the four promissory notes issued by the Corporation to Synatom pursuant to the Loan Facility, each in the amount of \$3,450,000, issued on October 14, 2009, December 1, 2009, March 29, 2010 and June 30, 2010 respectively.

**“Recitals”** means the recitals to this Agreement.

**“Refinancing”** has the meaning ascribed thereto in the Recitals.

**“Refinancing Agreement”** has the meaning ascribed thereto in the Recitals.

**“Second Private Placement Agreement”** means the private placement agreement among the Corporation, Powertech USA and Synatom dated December 19, 2008.

**“Security Interests”** has the meaning ascribed thereto in Section 2.4.

**“Shares”** means the common shares in the capital of the Corporation.

**“Shareholders”** means holders of Shares.

**“Synatom”** means Société Belge de Combustibles Nucléaires Synatom SA, a corporation organized under the laws of Belgium and registered with the register of legal entities at Brussels under number BE 0406820671.

**“Unsecured Guaranty Agreement”** has the meaning ascribed thereto in the Recitals.

**“US Subsidiaries”** means Powertech USA and Indian Springs.

**SCHEDULE 2.1(2)(c)  
FORM OF NEW NOTE**

See attached.

## UNSECURED NON-INTEREST BEARING PROMISSORY NOTE

Unsecured non-interest bearing promissory note dated \_\_\_\_\_, 2011 between Powertech Uranium Corp. (the "**Corporation**") and Société Belge de Combustibles Nucléaires Synatom SA (the "**Holder**").

### ARTICLE 1 INTERPRETATION

#### **Section 1.1 Defined Terms.**

Capitalized terms used in this Note and not otherwise defined have the meanings given to them in Schedule 1.1, unless there is something in the subject matter or context inconsistent therewith.

#### **Section 1.2 Headings, etc.**

The provision of a Table of Contents, the division of this Note into Articles and Sections and the insertion of headings are for convenient reference only and do not affect its interpretation.

#### **Section 1.3 Gender and Number.**

Any reference in this Note to gender includes all genders. Words importing the singular number also include the plural and *vice versa*.

#### **Section 1.4 Currency.**

All references in this Note to dollars or to "\$" are expressed in Canadian currency unless otherwise specifically indicated.

#### **Section 1.5 Numerical Expressions.**

Numerical expressions in this Note follow the international convention whereby a comma (,) separates the thousands and a full stop (.) separates the decimals.

#### **Section 1.6 Certain Phrases.**

In this Note, (i) the words "**including**", "**includes**" and "**include**" mean "**including (or includes or include) without limitation**", and (ii) the words "**the aggregate of**", "**the total of**", "**the sum of**", or a phrase of similar meaning means "**the aggregate (or total or sum), without duplication, of**". The expressions "**Article**", "**Section**" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of the Note. In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "**from**" means "**from and including**" and the words "**to**" and "**until**" each mean "**to but excluding**".



**Section 1.7 Statutory References.**

Except as otherwise provided in this Note, any reference in this Note to a statute refers to such statute and all rules and regulations made under it as they may have been or may from time to time be amended, re-enacted or superseded.

**Section 1.8 Schedules.**

The schedules attached to this Note form an integral part of it for all purposes of it.

**Section 1.9 Accounting Terms.**

All accounting terms not specifically defined in this Note shall be interpreted in accordance with GAAP.

**ARTICLE 2  
THE NOTE**

**Section 2.1 Promise to Pay.**

For value received, subject to the terms and conditions of this Note, the Corporation hereby promises to pay to or to the order of the Holder, the U.S. dollar equivalent of the amount of SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$7,500,000.00) on the Maturity Date, without interest.

**Section 2.2 Prepayment in Cash or Common Shares.**

The Outstanding Amount may, at the election of the Corporation, be prepaid in cash, in whole or in part, at any time and from time to time on not less than 10 Business Days prior written notice, provided however that any such prepayment amount shall not be less than an amount equal to \$250,000. The Outstanding Amount may also be prepaid in full prior to the Maturity Date, upon and subject to the provisions and conditions of Article 4.

**ARTICLE 3  
COVENANTS**

**Section 3.1 Affirmative Covenants.**

So long as any amounts owing under this Note remain unpaid, the Corporation shall and shall cause its subsidiaries to:

- (a) Subject to the next sentence, punctually pay and discharge every obligation, the failure to pay or discharge of which might result in any Lien, other than Permitted Liens, or right of distress, forfeiture, termination or sale or any other remedy being enforced against its assets, properties or undertaking and provide to the Holder, when required, evidence of such payment and discharge. The Corporation

may, on giving the Holder such security (if any) as the Holder may require, refrain from paying or discharging any obligation, the liability for which is being contested in good faith;

- (b) Preserve and maintain its corporate existence and all its rights, licences, powers, privileges, franchises and goodwill;
- (c) Observe and perform all of its obligations and under the Leases which are material and necessary for any of the Corporation's projects and other material agreements to which it is a party or upon or under which any of its assets, properties or undertaking is held;
- (d) Carry on and conduct its business in a proper and efficient manner so as to preserve and protect its assets, properties and undertaking and income therefrom including collecting all accounts receivable in the ordinary course of business;
- (e) Keep proper books of record and account, in which full and correct entries of all transactions in relation to its business are made;
- (f) Comply in all material respects with the requirements of all applicable Laws;
- (g) Make repairs, renewals, replacements, additions and improvements to its assets, properties and undertaking so that the business may be properly and advantageously conducted at all times in accordance with prudent business management practice;
- (h) Pay or cause to be paid, when due, (i) all taxes, assessments and governmental charges or levies imposed upon it or upon its income, sales, capital or profit or any other property belonging to it, and (ii) all claims which, if unpaid, might by law become a Lien upon the assets, except any such tax, assessment, charge, levy or claim which is being contested in good faith and by proper proceedings and in respect of which the Corporation has established adequate reserves in accordance with GAAP or which are Permitted Liens;
- (i) Advise the Holder immediately upon becoming aware of any Event of Default (as hereinafter defined) and deliver to the Holder upon request a certificate in form and substance satisfactory to the Holder signed by a senior officer certifying that to the best of his knowledge no Event of Default has occurred or, if such is not the case, specifying all Events of Default and their nature and status;

- (j) Promptly cure or cause to be cured any defects in the execution and delivery of this Note or any defects in the validity or enforceability of this Note;
- (k) Keep all of its assets, properties and undertaking insured in such amounts as the Holder may reasonably require against loss or damage by fire and such other risks as the Holder may from time to time specify. The Corporation shall, whenever from time to time requested by the Holder, provide the Holder with satisfactory evidence of such insurance. Evidence satisfactory to the Holder of the renewal of every policy of insurance shall be left with the Holder at least seven (7) days before their termination. Each policy of insurance shall be in form and substance acceptable to the Holder and shall not be subject to any co-insurance clause;
- (l) Immediately on the happening of any loss or damage furnish or cause to be furnished at its own expense all necessary proofs and do all necessary acts to enable the Holder to obtain payment of the insurance monies, which, in the sole discretion of the Holder, may be applied in reinstating the insured property or be paid to the Corporation or its subsidiaries or be applied in payment of the monies owing hereunder, whether due or not then due, or paid partly in one way and partly in another;
- (m) Allow the Holder and its authorized representatives at any reasonable time and upon 2 days notice to enter the premises of the Corporation and its subsidiaries in order to inspect its assets, properties and undertaking and the books and records of the Corporation and its subsidiaries and make extracts therefrom, and permit the Holder or such representatives prompt access to such other persons as the Holder may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of its assets, properties or undertaking or the books and records of the Corporation and its subsidiaries; and
- (n) Promptly give written notice together with a detailed explanation to the Holder of (i) all claims or proceedings pending or threatened against the Corporation or its subsidiaries which may give rise to uninsured liability in excess of \$250,000 or which may have a Material Adverse Effect, and (ii) all damage to or loss or destruction of any property comprising part of its assets, properties or undertaking which may give rise to an insurance claim in excess of \$250,000;

### Section 3.2 Negative Covenants.

So long as any Outstanding Amount under this Note remain unpaid, the Corporation shall not and shall cause its subsidiaries not to, without the prior written consent of the Holder:

- (a) Create, incur, grant, assume or suffer to exist any Liens over its assets, properties or undertaking other than Permitted Liens;
- (b) Incur, suffer or permit to exist any indebtedness, liabilities or obligations, whether contingent or otherwise, other than Permitted Debt;
- (c) Remove, destroy, lease, transfer, assign, sell or otherwise dispose of any of any of its assets, properties or undertaking, except for (i) *bona fide* dispositions in the ordinary course of business at fair market value, (ii) assets, properties or undertakings which has no material economic value in the business of the Corporation or is obsolete;
- (d) Purchase, establish or acquire in any manner any new business undertaking or make any change in the nature of the Corporation's business as presently carried on that would result in a Material Adverse Effect;
- (e) Enter into any reorganization, consolidation, amalgamation, arrangement (including a plan of arrangement under corporate law), winding-up, merger or other similar transaction or any right, option or privilege convertible into shares in the capital of the Corporation;
- (f) Acquire or invest in any securities except instruments or securities which are rated AA or better by Canadian Bond Rating Service or Dominion Bond Rating Service or by a rating service in the U.S. of similar recognized standing, or make any loans to or investments in any other person other than in the context of granting ordinary trade credit;
- (g) Engage in any transactions with Persons not dealing at arm's length (as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*) with the Corporation and its subsidiaries except in the ordinary course of, and pursuant to the reasonable requirements of, business and at prices and on terms not less favourable to the Corporation than could be obtained in a comparable arm's length transaction with another Person;
- (h) Except as expressly permitted by, or contemplated in, the Ancillary Agreements: (i) declare, make, pay or commit to any form of

distribution or reduction of the profits of the Corporation or of its capital, including any dividend (including stock dividends) or other distribution on any present or future shares; (ii) purchase, redeem or retire or acquire any of its shares, or any option, warrant or other right to acquire any such shares, or apply or set apart any of its assets therefor; (iii) pay any bonus to shareholders; (iv) make any payment on account of loans made to shareholders of the Corporation; (v) pay any bonus to employees in an amount in excess \$100,000 in any one calendar year; or (vi) pay any management fees, except pursuant to the terms of agreements to which it is a party and that are existing on the date hereof, pursuant to any amendments to such agreements or pursuant to any new agreements, provided that any such amended agreements or new agreements are substantially similar to the agreements existing on the date hereof;

- (i) Incorporate or acquire any subsidiaries, or commence to carry on its business, otherwise than through the Corporation or its current subsidiaries;
- (j) Transfer any material assets from Powertech USA to Indian Springs;
- (k) Compromise or adjust to compromise or adjust any of its accounts receivable (or extend the time for payment thereof) or grant any discounts, allowances or credits, in each case other than in the normal course of business; and
- (l) Redate any invoice or sale or provision of service or make sales or provide services on extended dating beyond that customary in the business of the Corporation.

#### ARTICLE 4 CONVERSION OF AMOUNTS OWING UNDER THE NOTE

##### **Section 4.1 Prepayment or Repayment of Outstanding Amount in Common Shares.**

- (1) Upon and subject to the provisions and conditions of this Article 4, provided that an Event of Default shall not have occurred (i) the Outstanding Amount may be prepaid in full (if and only if the Maturity Date has not occurred on or prior to the date that is eighteen (18) months from the date hereof), on any date on or after the date that is eighteen (18) months from the date hereof until the Maturity Date (a "**Permitted Common Share Prepayment**"); or (ii) the Outstanding Amount may be repaid in full on the Maturity Date (a "**Common Share Repayment**"), in each case, by the issuance to, or to the order of, the Holder of that number of duly and validly issued fully paid and

non-assessable Common Shares as is equal to the Outstanding Amount divided by the Conversion Price.

- (2) Notwithstanding Section 4.1(1) and any other provision of this Note, and notwithstanding that a Common Share Repayment Notice shall have been sent by the Corporation to the Holder, if at any time after the date a Common Share Repayment Notice is sent to the Holder and before the date that the Common Shares otherwise issuable to the Holder pursuant thereto are so issued to the Holder, there occurs (i) a consolidation, amalgamation or merger of the Corporation with or into any other body corporate, or plan of arrangement involving the Corporation, which results in a reclassification or redesignation of the Common Shares or a change or exchange of the Common Shares into other shares or securities; or (ii) the transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or entity, then in each case the right of the Corporation to repay the Outstanding Amount in Common Shares as otherwise specified in Section 4.1(1) shall be null, void and of no further force and effect.

#### **Section 4.2 Manner of Exercise of Right to Prepay or Repay in Common Shares.**

The Corporation may exercise its right to effect a Permitted Common Share Prepayment or a Common Share Repayment by sending to the Holder at its principal address a notice (a "**Common Share Repayment Notice**") specifying the same at least 10 Business Days prior to the prepayment date or the Maturity Date, as applicable. On the effective date of the Permitted Common Share Prepayment or Common Share Repayment, as applicable, the Holder shall be entered in the books of the Corporation as the holder of the number of Common Shares into which the Outstanding Amount is convertible and, as soon as practicable, the Corporation shall deliver to the Holder a certificate or certificates for such Common Shares and, if applicable, a cheque for any amount payable under Section 4.5.

#### **Section 4.3 Common Shares**

The Common Shares issued upon a Permitted Common Share Prepayment or Common Share Repayment, as applicable, shall rank only in respect of dividends declared in favour of shareholders of record on and after the date of Permitted Common Share Prepayment or Common Share Repayment, as applicable or such later date as the Holder becomes the holder of record of Common Shares pursuant to Section 4.2. As of and from the applicable date, the Common Shares so issued shall, for all purposes, be and be deemed to be issued and outstanding as fully paid and non-assessable Common Shares.

#### **Section 4.4 Adjustment of Conversion Price.**

- (1) The Conversion Price in effect at any date shall be subject to adjustment from time to time as provided in this Section 4.4.

- (2) If at any time after the date a Common Share Repayment Notice is sent to the Holder:
- (a) the Corporation subdivides (by any stock split, stock dividend, recapitalization or otherwise) its outstanding Common Shares into a greater number of Common Shares;
  - (b) the Corporation consolidates (by combination, reverse stock split or otherwise) its outstanding Common Shares into a smaller number of Common Shares; or
  - (c) there occurs a reclassification or redesignation of the Common Shares, any change of the Common Shares into other shares or securities or any other capital reorganization involving the Common Shares other than transactions covered by Section 4.4(3);

any Conversion Price in effect immediately prior to such subdivision will be equitably proportionally adjusted.

- (3) If any question arises with respect to the adjustments provided in this Section 4.4, such question shall be conclusively determined by a firm of chartered accountants appointed by the Holder and acceptable to the Corporation. Such chartered accountants shall be given access to all necessary records of the Corporation and their determination shall be binding upon the Corporation and the Holder.

**Section 4.5 No Requirement to Issue Fractional Shares.**

The Corporation shall not be required to issue fractional Common Shares in connection with a Permitted Common Share Prepayment or a Common Share Repayment. If any fractional interest in a Common Share would, except for the provisions of this Section 4.5, be deliverable in connection with the conversion of the Outstanding Amount pursuant to a Permitted Common Share Prepayment or a Common Share Repayment, the Corporation shall, *in lieu* of delivering any certificate of fractional interest, satisfy the fractional interest by paying to the Holder an amount of lawful money of Canada equal (computed to the nearest whole cent, and one-half of a cent being rounded up) to the Outstanding Amount remaining outstanding after so much of the Outstanding Amount as may be converted into a whole number of Common Shares has been so converted.

**Section 4.6 Certificate as to Adjustment.**

The Corporation shall, from time to time immediately after the occurrence of any event which requires an adjustment or re-adjustment as provided in Section 4.4(2), deliver a certificate of the Corporation to the Holder specifying the nature of the event requiring the same and the amount of the necessary adjustment and

setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based.

## ARTICLE 5 EVENTS OF DEFAULT

### Section 5.1 Events of Default.

The occurrence of any of the following events shall constitute an “**Event of Default**” under this Note:

- (a) If the Corporation fails to pay any principal or other amounts payable under this Note or any other Ancillary Agreement when such amounts become due and payable and such failure remains unremedied for 10 days;
- (b) If any representation or warranty made or deemed to be made by the Corporation, a US Subsidiary or any other Loan Party in this Note, in any other Ancillary Agreement or in any certificate, statement or report furnished in connection therewith is found to be false or incorrect in any way so as to make it materially misleading when made or deemed to be made;
- (c) The Corporation fails to perform, observe or comply with any of the covenants contained in Section 3.1; and, if the circumstances giving rise to such failure are capable of modification or rectification (such that, thereafter the covenant would be observed or performed), the failure remains uncorrected for a period of 10 days following the earlier of (x) the date on which the Holder provides notice to the Corporation of such failure; and (y) the date on which the Corporation becomes aware of any such failure;
- (d) If the Corporation fails to perform, observe or comply with any covenants contained in Section 3.2;
- (e) If the Corporation, a US Subsidiary or any other Loan Party fails to perform, observe or comply with any other term, covenant or agreement contained in this Note or any other Ancillary Agreement to which it is a party; and, if the circumstances giving rise to such failure are capable of modification or rectification (such that, thereafter the covenant would be observed or performed), the failure remains uncorrected for a period of 30 days following the earlier of (x) the date on which the Holder provides notice to the Corporation of such failure; and (y) the date on which the Corporation becomes aware of any such failure;



- (f) If the Corporation, a US Subsidiary or any other Loan Party fails to pay the principal of, or premium or interest on, any debts that are individually or in the aggregate in an amount in excess of \$250,000 (other than under this Note) which is outstanding when such amount becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to the debt; or any other event occurs or condition exists and continues after the applicable grace period, if any, specified in any agreement relating to any such debt, if its effect is to accelerate, or permit the acceleration of the debt; or any such debt shall be declared to be due and payable prior to its stated maturity;
- (g) If any judgment or order for the payment of money in excess of \$250,000 is rendered against the Corporation, a US Subsidiary or any other Loan Party and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order, or (ii) there shall be any period of 10 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;
- (h) If the Corporation, a US Subsidiary or any other Loan Party (i) becomes insolvent or generally not able to pay its debts as they become due, (ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of creditors, (iii) institutes or has instituted against it any proceeding seeking (x) to adjudicate it a bankrupt or insolvent, (y) liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement (including a plan of arrangement under corporate law) or other corporate proceeding involving or affecting its creditors, or (z) the entry of an order for relief or the appointment of a Receiver, monitor, trustee custodian, or other similar official for it or for any substantial part of its properties and assets, and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismitted or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a Receiver, monitor, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs, or (iv) takes any corporate action to authorize any of the above actions;
- (i) There is a Change of Control of the Corporation or Powertech USA;

- (j) There has occurred or been threatened, in the opinion of the Holder, acting reasonably, an event or development likely to have a Material Adverse Effect; or
- (k) If any financial statement provided by the Corporation to the Holder is false or misleading in any material respect.

**Section 5.2 Consequences of an Event of Default.**

Upon the occurrence of any Event of Default, all Outstanding Amounts shall at the option of the Holder become immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are expressly waived by the Corporation. Upon a declaration that the Outstanding Amounts are immediately due and payable, the Holder may commence such legal action or proceedings as it, in its sole discretion, deems expedient. The rights and remedies of the Holder under this Note and any Ancillary Agreement are cumulative and are in addition to, and not in substitution for, any other rights or remedies. Nothing contained in this Note or any Ancillary Agreement with respect to the indebtedness or liability of the Corporation to the Holder, nor any act or omission of the Holder with respect to this Note or the Ancillary Agreements shall in any way prejudice or affect the rights, remedies and powers of the Holder under this Note or any Ancillary Agreement.

**ARTICLE 6  
MISCELLANEOUS**

**Section 6.1 Withholding Taxes.**

All payments to the Holder by the Corporation hereunder shall be made free and clear of, and without deduction or withholding for, any taxes, levies, imposts, deductions, charges or withholdings and all related liabilities (all such taxes, levies, imposts, deductions, charges, withholdings and liabilities being referred to as “**Taxes**”) imposed by Canada (or any political subdivision or taxing authority of it). In the event that such Taxes are required by applicable law to be deducted or withheld, Holder shall be solely responsible for remitting such Taxes to the relevant Governmental Entity.

**Section 6.2 Indemnification.**

The Corporation agrees to indemnify the Holder and its shareholders, directors, officers, employees, affiliates, agents and representatives (collectively, the “**Synatom Indemnified Parties**”) from and against any and all Damages which may be imposed on, incurred by, or asserted against the Holder and arising by reason of any action (including any action referred to herein) or inaction or omission to do any act legally required of the Corporation.

**Section 6.3 Substitution**

The Holder may at any time, by notice in writing to the Corporation, assign this Note, or any of its rights hereunder, to one or more of its Affiliates.

**Section 6.4 Notice.**

Any notice, direction or other communication (each a “**Notice**”) given regarding the matters contemplated by this Note must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

To the Holder at:

Avenue Ariane 7, 1200  
Brussels, Belgium  
Attention: M. Robert Leclère, Chief Executive Officer  
Telephone: 32 2 505 07 35  
Facsimile: 32 2 505 07 90

With a copy, which shall not constitute notice, to:

Stikeman Elliott LLP  
Barristers and Solicitors  
199 Bay Street  
Toronto, Ontario  
M5L 1B9  
Attention: Donald Belovich  
Telephone: 416-869-5606  
Facsimile: 416-947-0866

To the Corporation and to Powertech USA at:

Powertech Uranium Corp.  
1205-789 West Pender Street  
Vancouver, BC V6V 1H2  
Attention: Thomas A. Doyle  
Telephone: 604 685 9181  
Facsimile: 604 685 9182

With a copy, which shall not constitute notice, to:

Clark Wilson LLP  
Barristers and Solicitors  
800-885 West Georgia Street  
Vancouver, BC V6C 3H1  
Attention: Virgil Z. Hlus  
Telephone: 604 891 7707  
Facsimile: 604 687 6314

A Notice is deemed to be delivered and received (i) if sent by personal delivery, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; (iii) if sent by overnight courier, on the next Business Day; or (iv) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed.

**Section 6.5 Time of the Essence.**

Time shall be of the essence of this Note.

**Section 6.6 Announcements.**

The Parties shall consult with each other before issuing any press release, news release or otherwise making any filings or public statements with respect to this Note and the transactions contemplated herein and shall not issue such press release without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, in each case, subject to applicable Laws and the exercise of such fiduciary duties, as may be appropriate.

**Section 6.7 Third Party Beneficiaries.**

Except as otherwise provided in Section 6.2, the Parties intend that this Note will not benefit or create any right or cause of action in favour of any Person, other than the Parties or, if applicable, their respective Affiliates. Except for the Synatom Indemnified Parties, no Person, other than the Parties and such Affiliates, is entitled to rely on the provisions of this Note in any action, suit, proceeding, hearing or other forum. Despite the foregoing, the Corporation acknowledges to each of the Synatom Indemnified Parties their direct rights against it under Section 6.2 of this Note. To the extent required by law to give full effect to these direct rights, the Holder acknowledges and agrees that they are acting as agent and/or as trustee of Synatom

Indemnified Parties. The Parties reserve their right to vary or rescind the rights, granted by or under this Note to any Person who is not a Party, at any time and in any way whatsoever, without notice to or consent of that Person, including any Synatom Indemnified Party.

**Section 6.8 No Agency or Partnership.**

Nothing contained in this Note makes or constitutes any Party, or any of its directors, officers or employees, the representative, agent, principal, partner, joint venturer, employer, employee of any other Party. It is understood that no Party has the capacity to make commitments of any kind or incur obligations or liabilities binding upon any other Party.

**Section 6.9 Expenses.**

Except as otherwise expressly provided in this Note, each Party will pay for its own costs and expenses incurred in connection with this Note and the transactions contemplated by it. The fees and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Note, and the transactions contemplated by this Note, including the fees and expenses of legal counsel, investment advisers and accountants.

**Section 6.10 Amendments.**

This Note may only be amended, supplemented or otherwise modified by written agreement signed by all of the Parties.

**Section 6.11 Waiver.**

- (1) No waiver of any of the provisions of this Note will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Note will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.
- (2) If a Party waives compliance with any of the conditions, obligations or covenants contained in this Note, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.

**Section 6.12 Entire Agreement.**

This Note, together with the Ancillary Agreements, constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Note and supersedes all prior agreements, understandings, negotiations and

discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Note, except as specifically set forth in this Note and the Ancillary Agreements. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Note, except as set out herein or in the Ancillary Agreements. For greater certainty, notwithstanding the foregoing, each of the Ancillary Agreements remains in full force and effect subject to the terms thereof.

**Section 6.13 Successors and Assigns.**

- (1) This Note becomes effective only when executed by all of the Parties. After that time, it is binding on and enures to the benefit of the Parties and their respective heirs, administrators, executors, legal personal representatives, successors and permitted assigns.
- (2) Except as otherwise provided in this Note, neither this Note nor any of the rights or obligations under this Note are assignable or transferable by the Corporation or Powertech USA without the prior written consent of the Holder. Moreover, except as otherwise provided in this Note, neither this Note nor any of the rights or obligations under this Note are assignable or transferable by the Holder without the prior written consent of the Corporation, such consent not to be unreasonably withheld or delayed, provided that the Holder may without such consent, assign all or part of its rights and obligations under this Note, without reducing its own obligations hereunder, to any of its Affiliates.

**Section 6.14 Further Assurances.**

The Parties agree to execute and deliver such further and other papers, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their vote and influence, and do and perform and cause to be done and performed, such further and other acts and things that may be necessary or desirable in order to give full effect to this Note and every part thereof.

**Section 6.15 Severability.**

If any provision of this Note is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Note and the remaining provisions will remain in full force and effect.

**Section 6.16 Governing Law.**

This Note shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Parties irrevocably attorn and submit to the non-exclusive

jurisdiction of the courts of the Province of British Columbia with respect to any matters arising out of this Agreement and waive objection to the venue of any proceeding in such courts or that such courts provide an inconvenient forum.

**Section 6.17 Counterparts.**

This Note may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together will be deemed to constitute one and the same instrument. The Party sending the facsimile transmission will also deliver the original signed counterpart to the other Party, however, failure to deliver the original signed counterpart shall not invalidate this Note.

**Section 6.18 Authorship.**

The Parties to this Agreement waive the application to this Agreement of any laws or rule of construction providing that ambiguities in any agreement or other document shall be construed against the Party drafting such agreement or other document.

**Section 6.19 Non-Merger.**

Except as otherwise expressly provided in this Note, the covenants, representations and warranties shall not merge on and shall survive the closing of the transactions contemplated in this Note. Notwithstanding the closing of the transactions contemplated in this Note or any investigation made by or on behalf of any Party, the covenants, representations and warranties shall continue in full force and effect. The closing of the transactions contemplated in this Note shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Note or in respect of any right to damages or other remedies.

*The remainder of this page has been intentionally left blank.*

**IN WITNESS WHEREOF** the Parties have executed this Note as of the date first written above.

**POWERTECH URANIUM CORP.**

By: \_\_\_\_\_  
Authorized Signing Officer

**SOCIÉTÉ BELGE DE  
COMBUSTIBLES NUCLÉAIRES  
SYNATOM SA**

By: \_\_\_\_\_  
Authorized Signing Officer

By: \_\_\_\_\_  
Authorized Signing Officer



SCHEDULE Error! Reference source not found.  
**DEFINED TERMS**

**"Affiliate"** or **"affiliate"** means, unless otherwise specified, an affiliate within the meaning of Section 1.2 of National Instrument 45-106 *Prospectus and Registration Exemptions*.

**"Ancillary Agreements"** means, collectively, the Refinancing Agreement, the Unsecured Guaranty Agreement and the Termination, Voting and Lock-up Agreement.

**"Business Day"** means any day of the year, other than a Saturday, a Sunday or any day on which banks are required or authorized to close in Vancouver, British Columbia or Brussels, Belgium.

**"Change of Control"** means that there is a change in the person that can exercise control of the Corporation or Powertech USA, as the case may be, where "control" means the possession of the power, in law or in fact, to direct or cause the direction of the management and policies of a corporation whether through legal and beneficial ownership of a majority of voting securities of such corporation, by agreement or otherwise.

**"Common Shares"** means the common shares in the capital of the Corporation, and shall, where the context permits, include (i) any securities into which such common shares may be converted, reclassified, redesignated, subdivided, consolidated or otherwise changed; (ii) any securities of the Corporation or of any other Person received by the holders of such common shares as a result of any merger, amalgamation, reorganization, arrangement or other similar transaction involving the Corporation; and (iii) any securities of the Corporation which are received by any one or more Persons as a stock dividend of distribution on or in respect of such common shares.

**"Common Share Repayment"** has the meaning specified in Section 4.1(1).

**"Common Share Repayment Notice"** has the meaning specified in Section 4.2.

**"Conversion Price"** means the greater of: (i) the 20 day volume weighted average closing price of the Common Shares on the TSX for the period ending two Business Days prior to the Maturity Date or the prepayment date, as applicable, subject to adjustment as provided in Section 4.4 hereof, less a 15% discount; and (ii) \$0.60.

**"Corporation"** means Powertech Uranium Corp., a corporation organized under the laws of British Columbia.

**"Damages"** means any losses, liabilities, damages or expenses (including legal fees and expenses) whether resulting from an action, suit, proceeding, arbitration, claim

or demand that is instituted or asserted by a third party, including a Governmental Entity, or a cause, matter, thing, act, omission or state of facts not involving a third party.

**“Dewey-Burdock Project Permits”** means the permits set out in Appendix 1.1(A).

**“Event of Default”** has the meaning specified in Section 5.1.

**“GAAP”** means generally accepted accounting principles as set out in the Canadian Institute of Chartered Accountants Handbook-Accounting, at the relevant time applied on a consistent basis.

**“Governmental Entity”** means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and includes any Securities Regulatory Authority.

**“Holder”** means Société Belge de Combustibles Nucléaires Synatom SA, a corporation organized under the laws of Belgium and registered with the register of legal entities at Brussels under number BE 0406820671.

**“Indian Springs”** means Indian Springs Land and Cattle Co., LLC.

**“Laws”** means applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, statutory rules, principles of common and civil law and equity, terms and conditions of any grant of approval, permission, orders, decrees, rules, regulations and municipal by-laws, whether domestic, foreign or international; (ii) judicial, arbitral, administrative, ministerial, departmental and regulatory judgments, orders, writs, injunctions, decisions, rulings, authority, licence, decrees and awards of any Governmental Entity (including the Securities Regulatory Authorities); and (iii) policies, practices and guidelines of any Governmental Entity (including the Securities Regulatory Authorities), which, although not actually having the force of law, are considered by such Governmental Entity as requiring compliance as if having the force of law, in each case binding on or affecting the Person, or the assets of the Person, referred to in the context in which such word is used, and the term “applicable” with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority (including the Securities Regulatory Authorities) having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities, in each case as such Laws may be amended from time to time.

**“Leases”** means the leases in specified in Appendix 1.1(B).

**“Lien”** means any mortgage, charge, pledge, hypothecation, security interest, assignment, encumbrance, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition that in substance secures payment or performance of an obligation.

**“Loan Party”** means any Person other than the Holder that has executed and delivered an Ancillary Agreement.

**“Material Adverse Effect”** means any effect that when considered either individually or in the aggregate (i) is materially adverse or is reasonably likely to be materially adverse to the properties, assets, liabilities, obligations (whether absolute, accrued, conditional or otherwise), businesses, affairs, condition (financial or otherwise), operations, results of operations or prospects of the Corporation or its subsidiaries, taken as a whole; or (ii) will, or would reasonably be expected to, prevent or materially impair the ability of the Parties to consummate the transactions contemplated hereby.

**“Maturity Date”** means the earlier of the date that is: (i) six (6) months after the date on which the last of the Dewey-Burdock Project Permits is obtained, and (ii) two (2) years from the date hereof.

**“Note”** means this unsecured non-interest bearing promissory note between the Corporation and the Holder.

**“Notice”** has the meaning specified in Section 6.4.

**“Outstanding Amount”** means any and all amounts that remain unpaid and outstanding from time to time under this Note.

**“Party”** means a party to this Note and any other Person who may become a party to this Note.

**“Permitted Common Share Prepayment”** has the meaning specified in Section 4.1(1).

**“Permitted Debt”** means (i) financing leases or purchase money obligations in an aggregate amount not to exceed \$250,000, (ii) unsecured trade payables and other liabilities incurred in the ordinary course of business, (iii) corporate credit card arrangements subject to an aggregate limit of \$100,000, and (iv) other indebtedness consented to in writing by the Holder.

**“Permitted Liens”** means, in respect of any Person, any one or more of the following:

- (i) Liens for taxes, assessments or governmental charges or levies which are not delinquent or the validity of which is being contested at the time by the Person in good faith by proper legal proceedings if, in the Holder's opinion, acting reasonably, adequate provision has been made for their payment;
- (ii) Inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of construction, maintenance, repair or operation of assets of the Person, provided that such Liens are related to obligations not due or delinquent, are not registered against title to any assets of the Person and in respect of which adequate holdbacks are being maintained as required by applicable law or such Liens are being contested in good faith by appropriate proceedings and in respect of which there has been set aside a reserve (segregated to the extent required by GAAP) in an adequate amount and provided further that such Liens do not, in the Holder's opinion, acting reasonably, reduce the value of the asset against which such Liens have arisen or materially interfere with the use of such assets in the operation of the business of the Person;
- (iii) Easements, rights-of-way, servitudes, restrictions and similar rights in real property comprised in the assets of the Person or interests therein granted or reserved to other Persons, provided that such rights do not, in the Holder's opinion, acting reasonably, reduce the value of the assets against which such rights have been granted or reserved or materially interfere with the use of such assets in the operation of the business of the Person and further provided that such rights do not relate to any defect in title, royalty or encumbrance, to the Corporation's mineral projects, including the Centennial, Indian Springs and Dewey-Burdock projects;
- (iv) The reservations, limitations, provisos and conditions, if any, expressed in any original grant from the Her Majesty Queen Elizabeth II or her predecessors of any real property located in Canada or any interest therein, provided they do not, in the Holder's opinion, acting reasonably, reduce the value of the real property against which they are registered or materially interfere with the use of such real property in the operation of the business of the Person;
- (v) Liens given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the operation of the business or the ownership of the assets of the Person, provided that such Liens do not, in the Holder's opinion, acting reasonably, reduce the value of any asset of the Person or materially interfere with the use of any such asset in the operation of the business of the Person;
- (vi) Servicing agreements, development agreements, site plan agreements, and other agreements with Governmental Entities pertaining to the use or

- development of any of the real property of the Person, provided same are complied with and do not in the Holder's opinion, acting reasonably, reduce the value of the subject real property or materially interfere with the use of the real property in the operation of the business of the Person including, without limitation, any obligations to deliver letters of credit and other security as required;
- (vii) Applicable municipal and other governmental restrictions, including municipal by-laws and regulations, affecting the use of land or the nature of any structures which may be erected thereon, provided such restrictions have been complied with and do not in the Holder's opinion, acting reasonably, reduce the value of any real property of the Person or materially interfere with the use of the real property in the operation of the business of the Person;
  - (viii) In the case of property located outside the United States, the right reserved to or vested in any Governmental Entity by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of the Person, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof, and in the case of property located within the United States, the paramount title of the United States;
  - (x) Any Lien securing a purchase money obligation, provided that (i) no such Lien affects any property other than the property acquired by the incurring of such purchase money obligation, and (ii) such Lien does not secure an amount in excess of the original purchase price of such property, less repayments made from time to time;
  - (xi) The mortgage made by Powertech USA in favour of Elston Bros. Realty Co., LLC in respect of certain mineral interests located in Custer County, South Dakota to secure the payment of the principal amount of \$1,600,000 owing by Powertech USA to Elston Bros. Realty Co., LLC;
  - (xii) The mortgage made by Powertech USA in favour of Richard E. Elston in respect of certain mineral interests located in Custer County, South Dakota to secure the payment of the principal amount of \$850,000 owing by Powertech USA to Richard E. Elston; and
  - (xiii) The Special Warranty Uranium Deed Subject to Condition Subsequent granted to Anadarko Land Corp. ("Anadarko") in connection with the Purchase and Sale Agreement, dated September 27, 2006, between Anadarko and the Corporation.

**“Person”** means a natural person, partnership, limited partnership, limited liability partnership, limited liability company, unlimited liability company, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

**“Powertech USA”** means Powertech (USA), Inc., a corporation organized under the laws of South Dakota.

**“Refinancing Agreement”** means the refinancing agreement dated February 4, 2011 among the Corporation, Powertech USA, Indian Springs and the Holder.

**“Securities Regulatory Authorities”** means collectively, the provincial and territorial securities regulatory authority in each of the provinces and territories of Canada, and the TSX.

**“Synatom Indemnified Parties”** has the meaning ascribed thereto in Section 6.2.

**“Taxes”** has the meaning specified in Section 6.1.

**“Unsecured Guaranty Agreement”** means the unsecured guaranty agreement made by Powertech USA in favour of the Holder, dated as of the date hereof.

**“Termination, Voting and Lock-up Agreement”** means the Termination, Voting and Lock-up Agreement among the Holder, the Corporation, Powertech USA and Indian Springs dated as of the date hereof.

**“TSX”** means the Toronto Stock Exchange.

**“US Subsidiaries”** means Powertech USA and Indian Springs.

**APPENDIX 1.1(A)**

**DEWEY-BURDOCK PROJECT PERMITS**

	<b>Permit</b>	<b>Agency</b>	<b>Authority</b>	<b>Applicability</b>
1.	<b>Radioactive Source Material &amp; By-Product Material License</b>	U.S. Nuclear Regulatory Commission (NRC)	Atomic Energy Act of 1954, as amended, 10 C.F.R Part 40	Required for recovery, processing, possession, transfer and disposal of uranium source and by-product materials.
2.	<b>National Environmental Policy Act (NEPA)</b>  (If and when required by law.)	Likely U.S. Nuclear Regulatory Commission	42 U.S.C. §4321 et seq.	Commence and proceed with NEPA process. (if and when required by law.) NEPA requires preparation of an Environmental Impact Statement (EIS) as a prerequisite for "major Federal actions," such as EPA's issuance of UIC permit(s). EIS preparation can take 12-24 months, and sometimes longer.
3.	<b>Underground Injection Control (UIC) Permit</b>	U.S. Environmental Protection Agency	Part C of the Safe Drinking Water Act (SDWA) (Pub. L. 93-523, as amended; 42 U.S.C. 300h et seq.); 40 C.F.R. Part 144	Required for Class III, wells, wells which inject for extraction of minerals, including In situ production of uranium or other metals; this category includes only in-situ production from ore bodies which have not been conventionally mined.
4.	<b>Aquifer Exemption</b>  <b>Under Safe Drinking Water Act</b>	U.S. Environmental Protection Agency	40 C.F.R. Parts 144, 146	Required for in-situ mining.

5.	<b>Underground Injection Control Permit for Class III Injection Wells</b>	South Dakota Department of Environment and Natural Resources, Board of Water Management	ARSD 74:55	Required for in-situ mining; mirrors EPA requirements. The SD UIC permit review by the Water Management Board suffices for the UIC portion of the Large Scale Mine Permit but must be approved 90 days prior to the approval of the Large Scale Mine Permit. However, the application for the Large Scale Mine Permit can be submitted for review while the SD UIC permit review is being conducted.
6.	<b>Unique and Special Lands Permit</b>	South Dakota Department of Environment and Natural Resources	South Dakota Mined Land Reclamation Act;  Chapter 45-6B-33	Determination of whether lands intended for mining are unique, special or critical required prior to submittal of application for mining.
7.	<b>Large Scale Mine Permit</b>	South Dakota Department of Environment and Natural Resources, Board of Minerals and Environment	South Dakota Mined Land Reclamation Act;  Chapter 45-6B; ARSD 74:29	Required for uranium in-situ mining.
8.	<b>State Water Board Groundwater Discharge Permit</b>	South Dakota Department of Environment and Natural Resources, Board of Water Management	SDCL 34A-2; ARSD 74:54	Required for land application of waste water, falling film evaporator (closed evaporator), and pond evaporation
9.	<b>National Pollution Discharge Elimination System Permit (NPDES)</b>	South Dakota Department of Environment and Natural Resources, Board of Water Management	ARSD 74:52	NPDES permits would be required for (1) land application of water, and/or (2) pond evaporation of water.



**APPENDIX 1.1(B)**  
**LEASES**

Each of the mining leases as more particularly described under the heading "Mining Leases" in each of the attached.

**SCHEDULE 2.1(2)(d)**  
**FORM OF UNSECURED GUARANTEE**

See attached.

## UNSECURED GUARANTY AGREEMENT

This unsecured guaranty agreement (the "**Guaranty**"), made effective as of the \_\_\_ day of \_\_\_\_\_, 2011 (the "**Effective Date**"), is by Powertech (USA), Inc., a South Dakota corporation (the "**Guarantor**"), for and on behalf of Powertech Uranium Corp., a corporation organized and existing under the laws of British Columbia, Canada ("**Powertech Uranium**"), in favor of Société Belge de Combustibles Nucléaires Synatom SA, a société anonyme organized and existing under the laws of Belgium ("**Synatom**").

### RECITALS

A. Powertech Uranium, the Guarantor, Indian Springs Land and Cattle Co., LLC ("**Indian Springs**") and Synatom entered into a refinancing agreement dated February 4, 2011 (the "**Refinancing Agreement**") providing for, among other things, the Refinancing (as defined below);

B. The shareholders' agreement among Synatom, 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 dated as of June 2, 2008 has been terminated by written agreement of the parties thereto;

C. The resolutions regarding the Refinancing were considered and passed by the shareholders of the Powertech Uranium (the "**Shareholders**") at a special meeting of Shareholders held on March 14, 2011 that was called for that purpose;

D. Powertech Uranium has completed an equity financing of CDN\$\_\_\_\_\_ by way of a preliminary short form prospectus and a (final) short form prospectus for the distribution of securities of Powertech Uranium to the public in certain provinces of Canada in accordance with applicable securities laws;

E. Pursuant to the Refinancing Agreement, among other things, on the Effective Date: (i) Powertech Uranium, the Guarantor, Indian Springs and Synatom entered into a Termination, Voting and Lock-up Agreement (as defined in the New Note as hereinafter defined) thereby terminating the Prior Agreements (as defined in the Termination, Voting and Lock-up Agreement); (ii) Powertech Uranium paid to or to the order of Synatom, the amount of CDN\$12,500,000; (iii) Powertech Uranium and Synatom entered into an unsecured non-interest bearing promissory note (the "**New Note**"), pursuant to which Powertech Uranium has agreed to repay to Synatom the amount of Seven Million Five Hundred Thousand Canadian Dollars (CDN\$7,500,000) (the "**Loan**

**Amount**"); and (iv) the Guarantor has agreed to execute and deliver this Guaranty to Synatom (collectively, the "**Refinancing**");

F. the Guarantor is a wholly-owned subsidiary of Powertech Uranium and the Guarantor will derive substantial economic and other benefits as a result of Synatom and Powertech Uranium entering into the New Note;

G. It is a requirement under the Refinancing Agreement that the Guarantor execute and deliver this Guaranty to Synatom; and

H. In order to induce Synatom to enter into and to perform its obligations under the New Note, the Guarantor wishes to issue this Guaranty in favor of Synatom, guaranteeing payment and performance by Powertech Uranium of the Loan Amount, and all other debts, obligations and liabilities of Powertech Uranium that at any time or from time to time are due or otherwise accrue or become due or otherwise payable by Powertech Uranium to Synatom in any currency, however or wherever incurred, and whether incurred by Powertech Uranium alone or jointly with another or others, under or related to the this Guaranty, the New Note or any other documents or instruments referred to herein or therein or executed in connection herewith or therewith, including any amendments, modifications or extensions hereof or thereof, together with all expenses, costs and charges incurred by or on behalf of Synatom in connection with this Guaranty, the New Note or any other documents or instruments referred to herein or therein or executed in connection herewith or therewith, including amendments, modifications or extensions hereof or thereof, including all legal fees, court costs, receiver's or agent's remuneration and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters, whether or not directly relating to the enforcement of this Guaranty, the New Note or any other documents or instruments referred to herein or therein or executed in connection herewith or therewith (collectively, the "**Obligations**").

## UNSECURED GUARANTY

**NOW, THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Guarantor undertakes in favor of Synatom as follows:

1. **Defined Terms.** Words, terms and phrases that begin with initial capital letters used, but not defined, in this Guaranty shall have the meanings ascribed to such words, terms and phrases in Schedule 1.1 the New Note.

Unless expressly indicated otherwise, the rules of construction set forth in Section 1.6 of the New Note are incorporated in this Guaranty by reference as if fully set forth herein. In the event of a conflict in definitions between this Guaranty and the New Note, the meaning given in this Guaranty shall prevail over the meaning given in the New Note.

2. **Guaranty.** The Guarantor hereby absolutely, unconditionally and irrevocably guarantees the performance and payment of the Obligations from and after the Effective Date. The Guarantor agrees that immediately upon a failure by Powertech Uranium in the payment or performance of its Obligations when due, the Guarantor will pay and perform such Obligations. Any amount payable under this Guaranty not paid when due, and any judgment for such an amount and interest thereon, shall bear interest at an annual rate equal to the prime rate of interest as published in *The Wall Street Journal* from time to time, plus five percentage points (5%), calculated on the basis of a year of three hundred sixty (360) days and the actual number of days elapsed, and compounded quarterly on the last Business Day of March, June, September and December, respectively.

3. **Nature of Guaranty.** This Guaranty is a guaranty of payment and performance and not of collection. All of the Guarantor's obligations hereunder will be paid and performed by the Guarantor without counterclaim, deduction, defense, deferment, reduction, or set-off. This Guaranty shall continue for as long as any Obligations remain outstanding. As between Synatom and the Guarantor, any amounts received by Synatom from whatever source on account of any Obligations (arising by whatever means) may be applied by Synatom toward the payment of any Obligations when due and payable, in such order of application as Synatom may from time to time elect, and, notwithstanding any performance or payments made by or for the account of the Guarantor pursuant to this Guaranty, the Guarantor will not be subrogated to any rights of Synatom until such time as Synatom shall have received performance and payment in full of all of the Obligations and performance of all obligations of the Guarantor hereunder. All payments of the Obligations under this Guaranty relating to the Loan Amount, including interest thereon, shall be made in lawful currency of Canada. Any payments under this Guaranty other than the Obligations related to the Loan Amount and any interest thereon shall be made in lawful currency of the United States. All payments of any kind under this Guaranty shall be made at the address of Synatom designated in the New Note. The Guarantor waives any right it may have in any jurisdiction to pay any Obligations under this Guaranty in a currency other than the lawful currency of Canada or the United States, as set forth in this Section 3.

4. **Representations and Warranties.** The Guarantor hereby represents and warrants as follows: (a) the delivery of this Guaranty by the Guarantor and

the performance of its obligations under this Guaranty have been duly authorized by all necessary action on its part; (b) this Guaranty constitutes a legal, valid, and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with the terms hereof, subject to bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to any equitable remedies, to the discretion of the court before which proceedings to obtain such remedies may be pending; (c) this Guaranty is not in conflict with or is not limited by any other contract, agreement or arrangement, whether written or oral, to which the Guarantor is a party; and (d) there are no bankruptcy, insolvency, reorganization, receivership or other arrangement proceedings pending by or against the Guarantor or, to its knowledge, threatened against it.

5. **The Guarantor's Waivers.** The Guarantor waives: (a) separate notice of acceptance hereof; (b) separate notice of presentment for payment, demand, protest and notice thereof as to any instrument; (c) all other separate notice and demands to which the Guarantor might otherwise be entitled in respect of the Obligations; (d) any defense based upon any legal disability or other defense of Powertech Uranium, any other guarantor or other Person, or by reason of the cessation or limitation of the liability of Powertech Uranium from any cause other than full payment and performance of the Obligations; (e) any defense based upon any lack of authority of the officers, directors, partners or agents acting or purporting to act on behalf of Powertech Uranium or any principal of Powertech Uranium or any defect in the formation of Powertech Uranium or any principal of Powertech Uranium; (f) any and all rights and defenses arising out of an election or remedies by Synatom, even if that election of remedies, including a non-judicial foreclosure has destroyed the Guarantor's rights of subrogation and reimbursement against the Obligations; (g) any defense based upon Synatom's election, in any proceeding instituted under the Federal Bankruptcy Code (the "**Bankruptcy Code**"), of the application of Section 1111(b)(2) of the Bankruptcy Code or any successor statute; (h) any right of subrogation, any right to enforce any remedy which Synatom may have against Powertech Uranium and any right to participate in, or benefit from, any other security for the Obligations now or hereafter held by Synatom; and (i) all diligence in collection of or realization upon any payments on, or assurance of performance of, any of the Obligations or any obligation hereunder, or in collection on, realization upon, or protection of any security for, or guaranty of, any of the Obligations or any obligation hereunder.

6. **Bankruptcy of Powertech Uranium.** If all or any portion of the Obligations are paid or performed, the obligations of the Guarantor hereunder shall continue and shall be deemed revived and continue in full force and effect under this Guaranty in the event that all or any port of such payment or

performance is avoided or recovered, directly or indirectly, from Synatom as a preference, fraudulent transfer or otherwise under the Bankruptcy Code or other similar laws, irrespective of (a) any notice of revocation given by the Guarantor prior to such avoidance or recovery, or (b) full payment and performance of the Obligations.

7. **Independent Obligation.** This Guaranty is independent of the Obligations. Synatom may bring a separate action to enforce the provisions of this Guaranty against the Guarantor without taking action against Powertech Uranium or any other party or joining Powertech Uranium or any other party as a party to such action.

8. **Notices.** All notices, approvals, requests, demands and other communications hereunder to be delivered to the Guarantor or Synatom and all notices, approvals requests, demands and other communications hereunder shall be delivered to the Guarantor and to Synatom at their respective addresses set forth in the New Note. All such notices shall be given in accordance with the notice provisions of the New Note.

9. **Integration, Assignment, Modification, Payment of Expenses.** This Guaranty, together with the Refinancing Agreement, the New Note and the Termination, Voting and Lock-up Agreement, constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes any prior written or oral agreements between the Guarantor and Synatom. This Guaranty may not be assigned by the Guarantor without the prior written consent of Synatom, which consent may be withheld in the sole and absolute discretion of Synatom. As between the Guarantor and Synatom, Synatom may assign or otherwise transfer all or any portion of the right to receive performance of or payment upon any of the Obligations to any third party. Subject to the foregoing, this Guaranty shall be binding upon and shall inure to the benefit of the Guarantor and Synatom and their respective successors and assigns. This Guaranty may be amended or modified only by a writing signed by the Guarantor and Synatom. The Guarantor shall pay all of Synatom's expenses (including costs and expenses of litigation and reasonable attorneys' fees) in enforcing or endeavoring to realize upon this Guaranty. The unenforceability or invalidity of any provision of this Guaranty shall not affect the validity of the remainder of this Guaranty.

10. **Waiver.** The failure of Synatom to insist upon strict performance of any of the terms, conditions, agreements, or covenants in this Guaranty in any one or more instances shall not be deemed to be a waiver by Synatom of its rights to enforce thereafter any of such terms, conditions, agreements, or covenants of this Guaranty. Any waiver by Synatom of any of the terms,

conditions, agreements, or covenants in this Guaranty must be in writing signed by Synatom.

11. **Law and Jurisdiction.** This Guaranty shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of South Dakota, without regard to South Dakota conflicts of laws principles that would require the application of the laws of any other jurisdiction. The Guarantor hereby consents to the exclusive jurisdiction of the federal courts of the United States located in Rapid City, South Dakota, and irrevocably agrees that all actions or proceedings arising out of or relating to this Guaranty may be litigated in such courts. THE GUARANTOR HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING, CLAIM OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY AND AGREES THAT ANY SUCH ACTIONS, SUITS, PROCEEDINGS, CLAIMS OR COUNTERCLAIMS SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

12. **Time is of the Essence.** Time shall be of the essence with regard to the performance by the Guarantor of its obligations under this Guaranty.

*The remainder of this page has been intentionally left blank.*



IN WITNESS WHEREOF, this Guaranty has been executed on the date below, but with effect as of the Effective Date.

**WITNESS**

**GUARANTOR**

**POWERTECH (USA), INC.**

\_\_\_\_\_  
Date:

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_