

AUC LLC, an Affiliate of Bayswater, Completes 171 Drill Holes at Reno Creek Uranium Project, Wyoming

Drilling Confirms Historical Drill Results in the Southwest Portion of the Reno Creek Deposit and Identifies Additional Mineralization Beyond Known Resources

Best Hole Intersects 19 Feet Grading 0.409% eU3O8

License Applications and Mining Permits for an In-Situ Recovery (“ISR”) Project to be Submitted Early in the 1st Quarter of 2012

Vancouver, BC, October 3, 2011 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) is pleased to report that AUC LLC (“AUC”), an affiliate that holds the Reno Creek properties and operator of the Reno Creek Uranium Project, has completed an additional 171 holes of its 350 hole delineation drilling program at the Reno Creek project located in Campbell County, Wyoming. In addition, AUC has now determined that baseline environmental work has progressed sufficiently so that permit applications may be submitted early in the 1st quarter of 2012 to the National Regulatory Commission (“NRC”) for a Source Materials License and to the Wyoming Department of Environmental Quality (“WDEQ”) for a Permit to Mine uranium at the Reno Creek site.

Highlights of the 171 hole drilling program in the Southwest Reno Creek portion of the Reno Creek deposit are as follows:

- Drilling confirmed historical mineralization, both in extent and grade, over all portions of SW Reno Creek drilled to date.
- Delineation and step-out holes identified additional mineralization beyond known resources in the SW Reno Creek area, which has not yet been added to the resource base for the project.
- Drilling defined significant uranium intercepts utilizing cutoff grades of greater than or equal to 0.03% eU3O8 and grade-thickness values of greater than or equal to 0.30. Drill holes intercepts that either meet or exceed the cutoff, as stated, are summarized in the table below.
- The best hole intersected 19.0 feet grading 0.409% eU3O8 for a grade/thickness (“GT”) interval of 7.8.

AUC has now completed a total of 238 holes for a total of 96,000 feet of drilling on the Southwest Reno Creek deposit in 2011, including 7 core holes and 2 re-entries of historical holes. The drilling program includes a combination of confirmation and step-out drilling plus coring of the host sandstones for metallurgical and engineering testing to support the applications for permits to the NRC and WDEQ.

AUC also completed metallurgical tests from the first three of its core holes in the Southwest Reno Creek deposit. Tests were conducted on a variety of grades of uranium mineralization, ranging from 0.022% to 0.245% eU3O8. Each test simulated approximately 30 pore volumes of treatment. The initial results indicate uranium recoveries ranging from 78%-93%. The core was also tested for permeability in order to assess amenability for In-Situ Recovery (“ISR”). The permeability in the three core samples ranged from 1350 to 3100 millidarcies which is well within the range for other uranium ISR operations under on-going permitting or recently permitted for production in Wyoming or otherwise currently producing in Wyoming and neighbouring states.

**SUMMARY OF INTERCEPTS GRADING $\geq 0.03\%$ eU3O8 WITH GT's ≥ 0.30
2011 DRILLING PROGRAM between May 20 and September 13, 2011
Drilling in Southwest Reno Creek Area**

Hole ID	Depth to Intercept Top (feet)	Intercept Thickness (feet)	Grade (% eU3O8)	Intercept GT (feet%eU3O8)
RC0071	340.0	7.0	0.048	0.336
RC0072	342.5	10.0	0.054	0.540
RC0074	362.5	4.5	0.072	0.324
RC0075	340.5	20.5	0.043	0.882
RC0076	328.5	11.5	0.032	0.368
RC0076	340.5	10.5	0.058	0.609
RC0077	245.5	8.0	0.049	0.392
RC0079	247.5	5.0	0.239	1.195
RC0079	334.5	11.5	0.145	1.668
RC0086	365.0	11.5	0.065	0.748
RC0098	404.5	7.0	0.092	0.644
RC0101	372.0	11.0	0.238	2.618
RC0105	348.5	16.5	0.063	1.040
RC0106	345.5	3.0	0.121	0.363
RC0108	334.5	9.0	0.071	0.639
RC0109	233.0	16.0	0.051	0.816
RC0110	324.5	7.0	0.043	0.301
RC0111	227.0	28.5	0.048	1.368
RC0112	332.5	19.0	0.409	7.771
RC0123	296.0	17.5	0.031	0.543
RC0127	353.0	12.0	0.042	0.504
RC0128	245.0	11.0	0.048	0.528
RC0131	360.5	6.0	0.051	0.306
RC0142	336.5	11.5	0.068	0.782
RC0144	231.5	15.5	0.042	0.651
RC0146	346.5	13.5	0.041	0.554
RC0149	381.0	21.5	0.033	0.710
RC0156	323.5	7.5	0.070	0.525
RC0161	262.0	8.5	0.035	0.298
RC0161	330.5	10.5	0.054	0.567
RC0162	331.5	11.0	0.057	0.627
RC0164	233.0	26.5	0.035	0.928
RC0164	333.5	19.5	0.071	1.385
RC0165	328.5	4.0	0.086	0.344
RC0165	343.5	11.0	0.047	0.517
RC0166	325.5	19.5	0.075	1.463
RC0167	331.5	9.0	0.095	0.855

RC0169	339.0	7.0	0.063	0.441
RC0173	222.5	25.5	0.039	0.995
RC0174	220.0	24.5	0.040	0.980
RC0175	225.5	26.5	0.036	0.954
RC0176	304.0	18.5	0.042	0.777
RC0178	244.0	10.0	0.043	0.430
RC0178	321.0	11.5	0.070	0.805
RC0179	235.0	12.0	0.051	0.612
RC0179	337.5	10.0	0.032	0.320
RC0182	281.5	21.5	0.030	0.645
RC0183	282.5	28.5	0.046	1.311
RC0183	313.0	20.0	0.042	0.840
RC0184	293.0	9.5	0.034	0.323
RC0184	315.0	10.5	0.059	0.620
RC0185	275.0	21.0	0.042	0.882
RC0185	300.5	7.5	0.051	0.383
RC0187	285.5	19.0	0.083	1.577
RC0188	289.0	9.5	0.043	0.409
RC0188	308.0	9.5	0.034	0.323
RC0190	266.0	19.5	0.035	0.683
RC0192	276.5	12.5	0.034	0.425
RC0198	308.0	9.5	0.081	0.770
RC0199	272.5	20.5	0.032	0.656
RC0205	218.0	22.5	0.048	1.080
RC0205	242.5	13.0	0.080	1.040
RC0205	261.5	15.0	0.031	0.465
RC0209	311.5	12.0	0.033	0.396
RC0214	292.5	17.0	0.040	0.680
RC0215	304.5	12.0	0.039	0.468
RC0218	322.5	8.5	0.153	1.301
RC0219	307.0	11.0	0.038	0.418
RC0222	296.0	15.0	0.078	1.170
RC0224	277.5	13.5	0.052	0.702
RC0225	277.5	15.0	0.084	1.260
RC0225	295.5	15.0	0.058	0.870
RC0226	269.0	21.0	0.068	1.428
RC0227	299.5	10.0	0.030	0.300
RC0227	333.5	13.5	0.056	0.756
RC0228	276.5	13.5	0.039	0.527
RC0229	296.5	22.5	0.051	1.148
RC0230	310.0	14.0	0.043	0.602
RC0233	281.5	17.0	0.060	1.020
RC0237	276.0	21.0	0.042	0.882
RC0238	210.0	27.5	0.043	1.183

Interim positive results from AUC's environmental baseline studies have been communicated during quarterly meetings to the NRC and the WDEQ, including the following:

- The mineralized Production Zone sandstone horizon is physically confined above and below by a low permeability shale or mudstone across the entire project area. Detailed core testing of these mudstone aquitards has revealed very low permeability ranging from 0.0005 to 0.0009 millidarcies.
- The third pump test (of four total) has been successfully completed. The data from the three pump tests document that the hydrologic conditions such as permeability and transmissivity are within the normal operating ranges exhibited at existing commercial ISR production facilities in Wyoming and neighbouring states as well as for projects under on-going permitting or recently permitted for production in Wyoming. In addition, no hydrologic communication between the mineralized sandstone and the underlying and overlying aquifers in the area of the pump testing has been detected. This finding also confirms that there is no evidence of hydrologic leakage or communication through historical drill holes.

AUC has scheduled a pre-submission document audit by the NRC to review the draft Technical and Environmental Reports and conduct a field tour during the third week of November, 2011. On the basis of comments by the NRC, AUC will finalize the two documents in preparation for submission. AUC plans to then submit its applications to the NRC and the WDEQ early in the 1st quarter of 2012.

Bayswater and Pacific Road Resources Funds ("PRRF") are developing the Reno Creek Uranium Project through Reno Creek Holdings Inc. ("RCHI"), which owns 100% of the Project through RCHI's wholly owned subsidiary AUC. Bayswater currently has a 17.27% interest in RCHI that may be increased to 31.14%. PRRF is entitled to convert its investment in RCHI into common shares of Bayswater at any time up to six months following the later of completion of a feasibility study or receipt of all requisite mining permits, but in any event PRRF shall convert its investment not later than within five years of acquisition of the Project, provided certain conditions are met. Upon conversion of PRRF's investment, Bayswater will own a 100% interest in RCHI which holds the Reno Creek property. Currently, James Viellenave, President of AUC is the Project Manager and reports to the board of AUC in regards to all activities conducted on the Reno Creek project. Two representatives from each of PRRF and Bayswater comprise the board of AUC, with PRRF holding a majority interest in AUC.

The Company's exploration activities are conducted under the supervision of George M. Leary, M.Sc. P. Eng. (B.C.), President of the Company, and Victor Tanaka, B.Sc. P.Geo. (B.C.), Executive VP and Chief Operating Officer of the Company. Both are Qualified Persons under NI 43-101. George Leary is the qualified person responsible for the technical information in this news release.

About Bayswater Uranium Corporation - The Super Junior Uranium Company™

Bayswater Uranium Corporation is an international uranium exploration and development company. The Company owns several advanced uranium properties in the United States with significant NI 43-101 compliant and historical resources that may be amenable to ISR and/or conventional mining. With the acquisition of the Reno Creek Property, WY, the Company's focus is to develop Reno Creek to production in the shortest time frame possible. The Company's Elkhorn/Alzada Project, located approximately 100 miles northeast of Reno Creek, is being advanced as a complementary or stand alone project for future potential production. As well, Bayswater is the only uranium company to have strategic landholdings in each of Canada's most important producing and exploration regions - the Athabasca Basin, the Central Mineral Belt, and the Thelon Basin. Bayswater combines a balanced portfolio of advanced and exploration projects with the uranium expertise of its technical and managerial teams. To capitalize on current market conditions and strong growth of the nuclear industry, the Company will continue to pursue acquisition opportunities of advanced-stage uranium projects with production potential. Bayswater's vision is to build a major international uranium company. Shares of the Company are listed on the TSX Venture Exchange under the symbol "[BYU](#)". For further information visit www.bayswateruranium.com.

About Pacific Road Resources Funds and Pacific Road Capital Management Pty Limited

The Pacific Road Resources Funds are private equity funds investing in the global mining industry. They provide expansion and buyout capital for mining projects, mining related infrastructure and mining services businesses located throughout resource-rich regions of the world. The Pacific Road Resources Funds are managed and advised by Pacific Road Capital Management Pty Ltd (“PRCM”). The PRCM team, located in Sydney, Australia, San Francisco and New York, USA, is comprised of experienced mining investment professionals that have extensive knowledge and experience in the mining and infrastructure sectors, including considerable operating, project development, transactional and investment banking experience. For further information on the Pacific Road Resources Funds and PRCM, please go to their website at www.pacroad.com.au.

On behalf of the Board of:

BAYSWATER URANIUM CORPORATION

George M. Leary
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Statements in this news release other than purely historical information, including statements relating to the Company's future plans and objectives or expected results, constitute forward-looking statements. Forward-looking statements are based on numerous assumptions and are subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in mineral exploration, development and mining. There can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on such statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

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