

## Bayswater Substantially Reduces Land Holding Costs

### Focus Remains on Reno Creek and Core Projects with Resources and Strong Exploration Targets

**Vancouver, BC, October 12, 2012** — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) reports that the Company has reduced land holding costs through the elimination of several non-core properties and joint ventures. Land holding costs have been reduced from over US\$500,000 to less than US\$15,000 annually. The substantial costs reductions have been achieved through the elimination of the Avoca base metals property in Ireland, the Mountain West claims in Nevada, the Hauber earn-in venture with Ur-Energy (TSX: [URE](#)) in Wyoming, and surface and lease agreements on the Alzada and Elkhorn properties located respectively in Montana and Wyoming. The Company has also terminated its joint venture with UCore Rare Metals (TSX-V: [UCU](#)) on the Makkovik claims, Labrador.

The reduced number of projects enables Bayswater to focus on its core uranium assets, particularly its flagship Reno Creek project, in which it holds a minority interest, and other 100% owned advanced properties in Wyoming. At Reno Creek, AUC LLC, the operator of the Reno Creek project, has engaged third party consultants to prepare a new mineral resource estimate and technical report in accordance with the requirements of National Instrument (NI) 43-101, scheduled to be completed this autumn, and to prepare an updated prefeasibility study, also in compliance with NI 43-101 standards, by calendar year end.

Bayswater and the Pacific Road Resources Funds (“PRRF”) are developing the Reno Creek project through Reno Creek Holdings Inc. (“RCHI”), which owns 100% of the Project through AUC LLC. Bayswater currently has an approximate 13.47 % interest in RCHI. 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 April 7, 2015, 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.

Bayswater continues to maintain a 100% interest in its key uranium resource claims at Elkhorn, Wyoming including claims adjacent to the former producing Hauber Mine that cover uranium resources, compliant with NI 43-101 standards, estimated at 501,000 lbs U3O8 Indicated grading 0.18% eU3O8 in 139,000 tons and 153,000 lbs U3O8 Inferred grading 0.16% eU3O8 in 46,000 tons as documented in a report by Thomas C. Pool, P.E., of International Nuclear, Inc. dated January, 2010, as filed on sedar. Also on the Elkhorn Project, the Company holds claims at Tract 41 property that cover historical resources estimated at 104,457 lbs U3O8 grading 0.103% eU3O8 in 50,656 tons as documented in Federal Resources 1973 historic reports in the Marriott Library Special Collection Archives at the University of Utah. Historical resources are non NI 43-101 compliant, are not being treated as mineral resources and are not to be relied upon.

On the Alzada Project, Montana, the Company continues to own a 100% interest in claims at the Acadia/Cochrane property that covers historical resources of approximately 3.7 million pounds U3O8 in 2.1 million tons at a grade of 0.125% U3O8 as documented in a report by James R. Guilinger dated June 6, 2007 (as amended October 17, 2007), as filed on Sedar. Historical resources are non NI 43-101 compliant, are not being treated as mineral resources and are not to be relied upon.

Both the Elkhorn and Alzada Projects have excellent potential for substantially increasing resources through land acquisition and drilling and the Company plans to explore and develop these projects in the future.

In Canada, Bayswater retains 73,000 acres in Labrador's Central Mineral Belt, reduced from an initial explored 1.1 million acres, that cover the 100% owned Anna Lake uranium deposit and the most prospective targets from its original ground. The Anna Lake deposit, which was discovered by Bayswater in 2007, consists of a mineral resource estimate, compliant with NI 43-101 standards, of 4.91 million pounds U<sub>3</sub>O<sub>8</sub> Inferred in 5.06 million tons grading 0.044% U<sub>3</sub>O<sub>8</sub> using a 0.03% U<sub>3</sub>O<sub>8</sub> cutoff as documented in a report by R. Dean Fraser and Gary H. Giroux of September, 2009 as filed on Sedar. The deposit remains open for resource expansion laterally and at depth. Several strong exploration targets defined by geophysical surveying and ground prospecting at Boiteau Lake, Dandy, Kanairiktok Bay and Minisinakawa Lake are all at the drill testing stage and comprise the balance of the Company's holdings in Labrador.

In the Athabasca Basin, Bayswater continues to hold its interest in the Collins Bay Extension property under option to CanAlaska. The Company also holds claims in the North Thelon and South Thelon Basins. Further information on the Company's holdings is available at [www.bayswateruranium.com](http://www.bayswateruranium.com).

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**

Bayswater Uranium Corporation is a uranium exploration and development company. The Company owns advanced uranium properties in Wyoming and Montana with significant NI 43-101 compliant and historical resources that may be amenable to in-situ-recovery (ISR) mining. The Company's focus is to develop the Reno Creek Project in Wyoming to production in the shortest time frame possible. Bayswater also owns other strategic uranium properties in Canada, with drill targets in the Athabasca Basin, the Central Mineral Belt, and the Thelon Basin. Bayswater's vision is to build a producing uranium company with a portfolio of development projects. Shares of the Company are listed on the TSX Venture Exchange under the symbol "[BYU](http://www.bysu.com)". For further information visit [www.bayswateruranium.com](http://www.bayswateruranium.com).

On behalf of the Board of:

### **BAYSWATER URANIUM CORPORATION**

George M. Leary  
President

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