

## Bayswater Associate AUC Amends PFS for Reno Creek Uranium Project

Vancouver, BC, May 27, 2013 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) (the “Company”) reports that, in accordance with its news release dated April 2, 2013, a Revised Preliminary Feasibility Study (the “Revised PFS”) has been issued for the Reno Creek In Situ Recovery uranium project located in the Powder River Basin of Wyoming (the “Reno Creek Project”) prepared by TREC, Inc., of Casper, WY, pursuant to National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”).

The previously reported PFS project economics included royalties payable by AUC LLC to land owners but did not incorporate a corporate royalty obligation to Strathmore Minerals Corp. (“Strathmore”). The Revised PFS incorporates a 5% gross production royalty (“Strathmore Royalty” or “Royalty”) payable to Strathmore that was assigned to and assumed by AUC LLC in connection with Bayswater’s purchase of Reno Creek properties from Strathmore in 2010. The Strathmore Royalty applies to properties initially sold by Strathmore that now form part of the Reno Creek Project. AUC LLC retains the right to repurchase the Strathmore Royalty in whole or in part at any time prior to the commencement of commercial production for US\$2 million per each 1% of the 5% royalty (see news release dated January 7, 2010), for an aggregate purchase price of US\$10 million. The purchase price must be paid at least 50% in cash, with AUC LLC having the right, subject to the consent of the Company, to satisfy the balance in common shares of the Company.

### Comparison of Project Economics and Royalty Payment Options (\$US 000s)

ITEM	Previously Reported Excludes Royalty	Purchase of Royalty: 50% Cash and 50% Bayswater Shares	Purchase of Royalty: 100% Cash	Royalty Paid Over Life of Production
Net Cash Flow (Pre-Tax)	506,757	501,756	496,756	466,533
Net Present Value (8%)	247,246	243,276	239,307	225,086
IRR	45%	44%	43%	42%

The Strathmore Royalty buyout using half cash and half shares has the smallest impact on project cash flow and Net Present Value, reducing the NPV from US\$247.2 million to US\$243.3 million. The greatest reduction of project cash flow occurs if the Strathmore Royalty is paid out over time, reducing the project NPV from US\$247.2 million to US\$225.1 million.

The Revised PFS will be available on Bayswater’s website ([www.bayswateruranium.com](http://www.bayswateruranium.com)) and the Company’s SEDAR profile ([www.sedar.com](http://www.sedar.com)).

### Qualified Person

Victor Tanaka, B.Sc. P.Geo. (B.C.), President and Chief Executive Officer of Bayswater, and a Qualified Person under NI 43-101, has reviewed the contents of this news release.

### About Bayswater Uranium Corporation

Bayswater Uranium Corporation is a uranium exploration and development company. The Company’s focus is to advance the Reno Creek Project in Wyoming to production in the shortest time frame possible. Bayswater also owns uranium projects in Canada’s Athabasca Basin and the Central Mineral Belt. Shares of the Company are listed on the TSX Venture Exchange under the symbol “[BYU](#)”. For further information visit [www.bayswateruranium.com](http://www.bayswateruranium.com).

On behalf of the Board of:

**BAYSWATER URANIUM CORPORATION**

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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, including statements with respect to the future price of uranium, the estimation of mineral resources, production and recovery, the realization of mineral resources, the timing and amount of future production, expected costs (both capital and operating), the success of exploration, development and mining activities and permitting timelines. 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.*