

EARLY WARNING REPORT

Made Pursuant To Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*, National Instrument 62-103 – *The Early Warning System and Related Take-Over bid and Insider Reporting Issues* and Section 102.1 of the *Securities Act* (Ontario)

This report is made pursuant to the provisions of the securities legislation referred to above in connection with the acquisition of securities of Bayswater Uranium Corporation (“Bayswater”).

1. Name and address of Offeror.

Mega Uranium Ltd. (“Mega” or the “Offeror”)
The Exchange Tower
130 King Street West, Suite 2500
Toronto, Ontario M5X 2A2

2. Designation and number or principal amount of securities and the Offeror’s securityholding percentage in the class of securities of which the Offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances.

On January 17, the Offeror acquired ownership of 2,759,807 common shares of Bayswater Uranium Corporation (the “Common Shares”), representing approximately 11.5% of the total issued and outstanding common shares of Bayswater.

3. Designation and number or principal amount of securities and the Offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release.

Immediately following the acquisition noted in item 2 above, the Offeror owns only the Common Shares, representing approximately 11.5% of the total issued and outstanding common shares of Bayswater as of January 17, 2013.

4. Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:

(a) **the Offeror, either alone or together with any joint actors, has ownership and control;**

See 3. above.

(b) **the Offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Offeror or any joint actor; and**

NIL

- (c) **the Offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership**

NIL

5. (a) **The name of the market where the transaction or occurrence that gave rise to the news release took place.**

N/A

- (b) **The value, in Canadian dollars, of any consideration offered per security if the Offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release:**

See Item 9., below.

6. **The purpose of the Offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

The Common Shares noted in item 2. above were acquired for investment purposes. The Offeror may from time to time acquire additional securities of Bayswater, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position.

7. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, or disposition or voting of any of the securities.**

These Common Shares noted in item 2. above were acquired pursuant to an private transaction between Titan Uranium Inc. and the Offeror dated December 18, 2013.

8. **Names of joint actors in connection with the disclosure required by this Appendix.**

N/A

9. **In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the Offeror.**

The Common Shares noted in item 2. above were acquired pursuant to a private transaction in which Mega issued 1,750,000 common shares to Titan Uranium Inc. as payment.

- 10. If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements of Part 4 in respect of the reporting issuer's securities.**

N/A

- 11. If applicable, a description of the exemption from securities legislation being relied on by the Offeror and the facts supporting that reliance.**

N/A.

DATED as of the 17th day of January, 2014.

MEGA URANIUM LTD.

“Richard Patricio”

Richard Patricio
Executive Vice-President Corporate Affairs