

Form 51-102F3
MATERIAL CHANGE REPORT

Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations

1. Name and Address of Company

Bayswater Uranium Corporation
1111 Melville Street, Suite 1100
Vancouver, BC V6E 3V6

2. Date of Material Changes

January 18, 2011.

3. News Release

The news release dated January 18, 2011 was filed with the TSX Venture Exchange and the British Columbia and Alberta Securities Commissions via SEDAR and disseminated through The Windward Agency.

4. Summary of Material Change

Reno Creek Environmental Baseline Studies On Schedule.
Discovers Additional Mineralization at Reno Creek Uranium Project, Wyoming

5. Full Description of Material Change

See attached News Release.

6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

George Leary, President
Tel: (403) 265-3775

9. Date of Report

January 18, 2011.

Reno Creek Environmental Baseline Studies On Schedule

Discovers Additional Mineralization at Reno Creek Uranium Project, Wyoming

Vancouver, BC, January 18, 2011 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) reports that the Company has made significant progress in its environmental baseline studies at its Reno Creek Uranium Project in Campbell County, Wyoming. Following are the highlights of the extensive ongoing program:

- Twenty-five of the initially planned forty-four monitoring wells have been completed and are operational. The balance of the wells will be drilled and developed early in 2011.
- Monitoring well data has confirmed that the sandstone ore horizon is physically confined above and below by shale across the entire project area.
- One pump test has been successfully completed and the data is being analyzed. The pump tests are designed to document that pumping in the ore body sandstone does not cause any hydrologic communication with the overlying and underlying aquifers and to provide hydrologic data that is used for the design of production and restoration operations.
- 2011 first quarter ground water samples, surface water and sediment samples have been collected and are in the laboratory for analysis.
- An on-site meteorological station has been installed and a full quarter of data obtained.
- Five air quality monitoring stations have been installed and a full quarter of data acquired.
- Vegetation and soils mapping are nearly completed, and are expected to be complete in the spring of 2011.
- Archaeological surveys have been completed. All 41 previously recorded cultural resource sites identified on the Reno Creek project had been evaluated as not eligible for the National Register of Historic Places (NRHP), and files indicate State Historic Preservation Office concurrence for all previously recorded sites. All 37 newly recorded localities are also evaluated as not eligible for the National Register.
- Wildlife surveys are more than 80% complete. The survey documented the absence of sage-grouse in the entire project area, as well as the absence of any threatened or endangered species.
- Wetlands mapping is more than 90% complete, and should be finished during the spring of 2011.
- The baseline radiological survey, including soil and vegetation sampling, is 90% complete, and will be completed by summer of 2011.

During October 2010, the Company successfully completed its first quarterly meetings with the Nuclear Regulatory Commission (NRC) and the Wyoming Department of Environmental Quality (WDEQ) to provide an update on the progress of activities, discuss initial findings of the baseline studies, and affirm that the baseline program continues to meet the needs of both agencies for their review of future permit applications. The Company confirmed that it plans to submit its application to the NRC for a Source and Byproduct Material License and its application to the WDEQ for a mine permit by the end of 2011.

During 2010, drilling of monitoring and observation wells located both inside and outside of known resource areas led to the following results pertaining to the known mineralized areas and their potential expansion on the project:

- i) Holes confirmed mineralization within resource areas as identified from historical drilling by Rocky Mountain Energy and others; and

- ii) Some of the monitoring and pump test wells, located outside of known mineralized areas, intersected significant new mineralization.

When above well drilling is completed in the first part of 2011, the data from all monitoring and observation wells will be integrated into the project database for additional resource evaluation. Mineralized intercepts outside of known resource areas indicate the potential for additional resources and are listed in the table below.

**LISTING OF SIGNIFICANT INTERCEPTS GRADING 0.01% eU3O8 or HIGHER- 2010 DRILLING PROGRAM
Drilling Outside of Known Resource Areas at Reno Creek**

Well ID	Date of Geophysical Log	Depth to Intercept Top (feet)	Intercept Thickness (feet)	Intercept Grade % eU3O8	Intercept GT
PZM5	08/12/10	241.5	10.5	0.052	0.546
PZM1	10/11/10	312.5	6.0	0.028	0.168
PZM8	09/20/10	306.0	12.0	0.041	0.492
		325.5	3.5	0.025	0.088
		334.0	6.5	0.086	0.559
PZM9	09/24/10	313.0	7.0	0.031	0.217
		338.5	1.0	0.018	0.018
PZM10	10/01/10	303.0	12.0	0.079	0.948
		331.0	5.0	0.018	0.090
UM1	10/06/10	299.0	7.0	0.037	0.259
		316.0	3.0	0.019	0.057
		336.5	21.5	0.124	2.666
		Includes this higher grade interval at 336.5:	6.5	0.332	2.158
PZM4	11/09/10	234.0	2.0	0.016	0.032
		259.0	5.5	0.024	0.132
PZM19	12/07/10	311.0	3.5	0.013	0.046

Note: PZM = Resource Host Sandstone Monitoring Well; UM = Underlying Aquifer Sandstone Monitoring Well. All uranium mineralization as noted above is in the known resource host sandstone.

The Company plans to carry out a more extensive drilling program during 2011, in addition to completing the environmental baseline studies and preparation of permit applications. The drilling program, to be permitted during the first quarter of 2011, will include a combination of confirmation and extension drilling in selected portions of the project—including areas of new mineralization encountered in the 2010 program, plus coring of the host sandstones in resource areas for metallurgical and engineering testing to support the applications for permits to the NRC and WDEQ. During 2011, the Company will develop plans to commence drilling and environmental baseline activities in its Pine Tree trend, which are planned to start early in 2012. Bayswater and Pacific Road Resources Funds, our investment partner in Reno Creek, have agreed to a budget of approximately \$7.0 million for the 2011 project.

Upon completion of data collection, compilation and analysis for baseline studies, the Company intends to assemble and submit its applications to the NRC and the WDEQ. The Company has carefully studied both the evolving permitting processes and the experiences of Ur-Energy, Uranium One, Uranerz, and Powertech over the past four years, including a detailed review of all of the Requests for Additional Information (RAI) issued by the NRC and WDEQ and the Environmental Impact Statements for each project. Now that licenses and permits are being granted by the agencies, it is possible to use this information and the Company's own detailed discussions with the NRC and WDEQ respective staffs to assure that its application documents contain required information. The Company anticipates that this effort could improve the efficiency of agency review and substantially reduce the time required for receipt of permits. Bayswater's previously announced schedule anticipated that it will be in a position to commence a feasibility study in early 2013 with construction development to follow once completed and be in production by 2015. The Company now believes that all phases of the Project, including the permitting time-line, may be significantly shortened.

Pursuant to the investment agreement and shareholders agreement dated April 7, 2010 (the "Agreements") involving Pacific Road Resources Funds ("PRRF") (see news release April 7, 2010), the Company was obliged to fund the special purpose entity ("Newco"), which holds the Reno Creek Uranium Project, with US\$7,000,000 and pay certain fees to PRRF on or before December 1, 2010. To date, such funding and payment of fees has not occurred. On January 5, 2011, PRRF and the Company entered into an amending agreement in respect of the Agreements whereby PRRF funded the first quarter 2011 Newco budget in an amount of US\$1,750,000 and, as a result, the interest held by Bayswater in Newco has been reduced to 21.3% from 23.1% and the maximum interest the Company may now earn in Newco has been reduced from 50.0% to 45.13%. The parties are proceeding on the basis that the Company shall fund the remaining amount of the 2011 Newco budget, being US\$5,250,000 plus certain fees before March 1, 2011, notwithstanding the right of PRRF to complete such funding and convert certain fees into shares in Newco. The Company is using its best efforts to secure such funding before March 1, 2011.

Pursuant to the Agreements as amended, PRRF continues to be entitled to convert its investment in Newco into common shares of the Company 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 not later than within five years of acquisition of the Property as previously reported. On conversion, PRRF's investment in Newco will be converted into common shares of the Company, pursuant to prescribed formulas as previously described in the Company's news release dated March 3, 2010. At that time Bayswater will own a 100% interest in Newco which holds the Reno Creek property.

For operational efficiencies, employees, consultants and contractors of NCA Nuclear Inc., a wholly owned subsidiary of Bayswater, who have been working on the Reno Creek Project, have been transferred over to AUC LLC, the limited liability company that owns the Project and of which the only shareholders are PRRF and Bayswater, effective January 1, 2011. Jim Viellenave will act as Project Manager on the Reno Creek Project and will continue as the General Manager—US Operations for Bayswater. Bayswater has assembled a highly effective and experienced management team for Reno Creek that will now operate directly within AUC LLC and report to the board of AUC LLC.

In other news, the Company reports that due to permitting delays, it has relinquished its option to acquire an 80% interest from Uranium North Resources in certain exploration permits and claims located in the South Thelon Basin of the NWT, Canada. Bayswater continues to hold varying interests in 714 claims aggregating 1,454,510 acres in this region which cover a number of prospective drill targets for future testing.

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
President

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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.