

Pacific Roads Resources Funds Complete US\$3.25 Million Investment in Reno Creek

Vancouver, BC, January 19, 2015 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) is pleased to announce that Pacific Road Resources Funds (“PRRF”) have completed an additional USD\$3,250,000 investment in Reno Creek Holdings Inc. (“Newco”), which indirectly owns the Reno Creek uranium project located in the Powder River Basin of Wyoming, USA. A portion of the funds were advanced as a demand loan on behalf of Bayswater (the “Company”). As a result of the investment, PRRF now owns approximately 89.60% of Newco, with the balance being owned by the Company. To the extent that the Company repays the demand loan, PRRF’s interest will be reduced to 88.91%. As a result of PRRF’s funding of the operating budgets for Newco, the Company’s maximum ownership interest in Newco has been reduced to approximately 10.40%. No shares of Bayswater were acquired in the transaction.

Pursuant to the definitive investment agreement dated April 7, 2010 between the Company, its subsidiary, Bayswater Holdings Inc. (“BHI”), and PRRF, as amended (the “Investment Agreement”), PRRF is entitled to exchange its shares in Newco for common shares of the Company within six months following the later of the completion of a feasibility study on the Property, or receipt of all required permits for production, but in any event, not later than within five years of closing, which occurred on April 7, 2010, provided certain conditions are met. The Newco shares will be exchangeable, at PRRF’s election, either:

(a) (i) as to PRRF’s initial capital contributions into Newco at closing, at a price of \$0.60 per share; (ii) as to subsequent PRRF contributions into Newco prior to such time as PRRF and the Company each hold a 50% interest in Newco, at a price equal to the 30 day volume weighted average price of the Company’s shares calculated to the day of contribution, provided that such price shall not be more than \$0.60 per share and (iii) as to subsequent PRRF contributions into Newco following the date on which the Company and PRRF each hold a 50% interest in Newco, at a price equal to the 30 day volume weighted average price of the Company’s shares calculated to the day of contribution; or

(b) at an amount defined by multiplying the market capitalization of the Company, calculated using the 30 day volume weighted average price of the common shares of the Company on the date PRRF elects to convert, by the percentage interest of the overall equity value of the Company represented by 100% of Newco (and thereby the Property), and further multiplied by the percentage interest held by PRRF in Newco, all divided by the greater of the 30 day volume average price of the common shares of the Company on the TSX-V or \$0.60.

As the number of shares of the Company issuable to PRRF is contingent, in part, upon future values and share prices and PRRF has not made any decision to convert, the number of such shares which PRRF may acquire should it exercise its exchange rights, cannot be determined at this time. However, assuming exchange of PRRF’s investment in Newco on the basis of alternative (a) above, PRRF would be entitled to receive in respect of the Newco common shares acquired on January 15, 2015, approximately 94,314,675 Company common shares (based on a conversion rate of \$1.1958 for USD\$1.00, being the Bank of Canada noon-day rate on January 14, 2015). In addition, PRRF would be entitled to receive 204,979,424 Company common shares in respect of its prior investments in Newco, based on alternative (a) above and the Bank of Canada noon-day rate on the applicable investment date.

As a result, assuming exchange alternative (a) above, after giving effect to PRRF’s investments, PRRF would hold approximately 299,294,099 common shares in the Company or approximately 91.0% of the common shares

on a fully-diluted basis (based on conversion rates, being the Bank of Canada noon-day rate, on the applicable investment dates).

Pursuant to, and subject to compliance with the terms of, the shareholders agreement between PRRF, the Company, the Company's wholly-owned subsidiary, Bayswater Holdings Inc., Newco, and AUC LLC (the operator of the Reno Creek project) dated April 7, 2010, the majority shareholder has the right to require the other shareholder to sell its shares to a third party purchaser if the majority shareholder has determined to sell its shares.

A copy of the early warning report filed in connection with the investment is available on the Company's profile on SEDAR at www.sedar.com.

About Bayswater Uranium Corporation

Bayswater Uranium Corporation is a uranium exploration and development company. Bayswater's focus is the Reno Creek ISR uranium development project in Wyoming in which the Company currently owns an 10.40% interest. Shares of the Company are listed on the TSX Venture Exchange under the symbol "BYU". For further information see the Company's profile on SEDAR (www.sedar.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.

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