

Pacific Road and Bayswater Complete Debt Settlement

Vancouver, BC, May 18, 2016 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) (the “Company”) reports that Pacific Road Resources Funds (“PRRF”), Pacific Road Capital Management Pty Ltd. (“PRCM”) and the Company have agreed to a settlement of all outstanding indebtedness of the Company owed to PRRF and PRCM, under the investment agreement dated April 7, 2010, as amended, between the Company, its subsidiary, Baywater Holdings Inc. (“BHI”) and PRRF and the shareholders agreement dated April 7, 2010, as amended (the “Shareholders Agreement”), between the Company, BHI, PRRF and Reno Creek Holdings Inc. (“RCHI”) which indirectly owns the Reno Creek uranium project (“the Project”) located in the Powder River Basin of Wyoming, USA.

Pursuant to a debt settlement agreement dated May 11, 2016, BHI transferred an aggregate of 4,047,321 common shares of RCHI, which shares had previously been pledged to PRRF under prior amendments to the Shareholders Agreement, in settlement of an aggregate of approximately US\$2,669,522 owed. Additionally, the Company waived certain rights of first refusal and first offer under the Shareholders Agreement.

As a result of the debt settlement, PRRF’s interest in Reno Creek is now 96.91% and Bayswater’s is 3.09%.

The Reno Creek ISR uranium project is nearby to several operating uranium ISR facilities. The Project has received its Wyoming State Permit to Mine, its Aquifer Exemption from Wyoming and the EPA, and its Class I UIC Deep Disposal Well Permit from the State of Wyoming. The remaining major permit is the Source Materials License, which is administered by the US Nuclear Regulatory Commission.

About Bayswater Uranium Corporation

Bayswater Uranium Corporation is a uranium exploration and development company. Bayswater has a 3.09% interest in Reno Creek Holdings Inc., the holding company of AUC LLC, which owns 100% of the Reno Creek ISR uranium development project in Wyoming. The Company also owns a 100% interest in the Brudell property located in the Athabasca Basin in Saskatchewan. Shares of Bayswater 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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