

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

May 18, 2016

3. News Release

A news release dated May 18, 2016 was filed with the TSX Venture Exchange and the British Columbia and Alberta Securities Commissions via SEDAR and disseminated through Canada Stockwatch and Market News.

4. Summary of Material Change

Bayswater Uranium Corporation reported 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.

5. Full Description of Material Change

Bayswater Uranium Corporation reported 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.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Mark Gelmon, CFO
Tel: (604) 684-6264

9. Date of Report

May 19, 2016