

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
999 Canada Place, Suite 545
Vancouver, BC V6C 3E1

2. Date of Material Changes

May 11, 2017

3. News Release

A news release dated May 11, 2017 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 to Sell Remaining Interest in the Reno Creek Uranium Project to Uranium Energy Corp.

5. Full Description of Material Change

Vancouver, BC, May 11, 2017 — Bayswater Uranium Corporation (TSX-V: BYU; OTC: BYSWF, the “Company” or “Bayswater”) reports Pacific Road Resources Funds (“PRRF”) has entered into a definitive Share Purchase Agreement (the “Agreement”) with Uranium Energy Corp (NYSE MKT: UEC or “UEC”) to sell all of PRRF’s issued and outstanding shares of Reno Creek Holdings Inc. (“RCHI”) and, indirectly thereby, 100% of the fully permitted Reno Creek in-situ recovery (“ISR”) uranium project located in the Powder River Basin, Wyoming (the “Project”).

Bayswater presently owns a 2.73% interest in RCHI and has received notice from PRRF whereby PRRF has exercised certain ‘drag along’ rights requiring Bayswater to sell its 2.73% interest in RCHI to UEC for pro-rated consideration identical to the consideration being issued to PRRF.

Transaction Details

Under the terms of the Agreement, UEC will issue to Bayswater, in return for the Company’s 2.73% ownership in RCHI, the following:

- (i) 392,927 shares of UEC;
- (ii) 308,728 warrants of UEC with each warrant entitling the holder to acquire one share of UEC at an exercise price of US\$2.30 per share for a period of five years from closing. The warrants will have an accelerator clause which provides that, in the event that the closing price of UEC’s common shares on its principally traded exchange is equal to or greater than US\$4.00 per share for a period of 20 consecutive trading days, UEC may accelerate the expiry date of the warrants to within 30 days by providing written notice to the holders; and
- (iii) At Bayswater’s election to be made in writing prior to the closing date for the transaction, a 0.01403% net profits interest royalty capped at US\$70,165.50 or the payment of US\$2,807.

All securities issued to Bayswater are subject to a four month hold period pursuant to applicable securities legislation and UEC has agreed to register the UEC shares issuable with the SEC for resale in the United States. Further information about the transaction and the Project are available from UEC’s May 9, 2017 news release.

Subject to NRC (US Nuclear Regulatory Commission) and receipt of such other regulatory approvals as may be required to complete the transaction, the sale of RCHI is expected to close on or about July 31, 2017.

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 18, 2017