

BAYSWATER URANIUM

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To call Bayswater “aggressive” would be to commit an egregious understatement (something I’ve never been accused of). Simply put, the company’s bold campaign of property acquisitions and company mergers has led to a project portfolio with substantial — and sometimes dominant — representation in every major uranium exploration frontier.

There’s little wonder why Bayswater has dubbed itself the “Super Junior Uranium Company,” and why few have argued with the moniker.

The company is continuing their efforts apace. After snapping up Kilgore Minerals this summer, Bayswater struck a deal in mid-October to buy all the outstanding shares of Northern Canadian Uranium Inc. Bayswater will issue 0.65 shares for each share of NCA in a deal valued at \$19.62 million.

The acquisition gives Bayswater another big step up in the uranium game. NCA owns 13 uranium properties, some with resources, in Canada, the United States and Mali, West Africa. It has also applied for 12 uranium concessions in Niger, West Africa. Many of these properties tie in nicely with Bayswater’s fast-growing uranium portfolio. Plus, Bayswater will add valuable and much-needed human resources, as two officers and directors of NCA and a team of experienced geologists join the company.

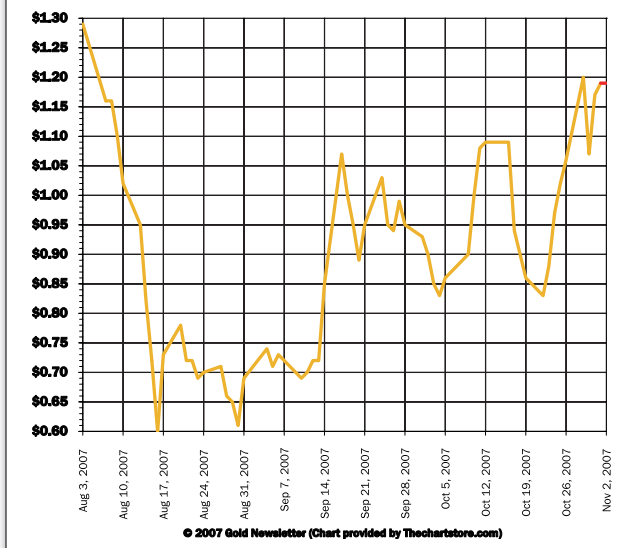
The big prize in the short term, however, is NCA’s U.S. uranium assets. Even though the deal still requires regulatory and shareholder approvals, both companies are getting set to fast-track the soon-to-be-combined portfolio of Wyoming uranium projects. That work will entail baseline studies, permitting and licensing.

Meanwhile, Bayswater also picked up an option to earn a 100% interest in the 38,970-hectare Wisker Valley uranium property in north-central Newfoundland. Surface sampling points to a mineralized belt that extends more than 25 kilometers. Grab samples have yielded assays grading up to 0.86% U_3O_8 and several other samples contained greater than 0.1% U_3O_8 .

In addition to wheeling and dealing in the boardroom, Bayswater is still busy drilling its Central Mineral Belt uranium project in Labrador. Two rigs have completed 62 of 67 planned holes. Jack Frost will send drill crews packing sometime in November, but they’ll be back at it in spring 2008.

Assay results had been slow in coming because of backlogs at the lab, but the company was recently able to release results for 28 of 33 holes at the Anna Lake prospect, 12 of 13 holes for the Dandy prospect, and all holes for the Stipec A, Stipec E and Kanairiktok Bay targets. The

Bayswater Uranium



Stipec and Kanairiktok Bay targets returned no significant values, and the Dandy prospect yielded only low-grade assays, but results for the Anna Lake prospect were very good.

Results from Anna Lake were highlighted by Hole 1, with an intersection of 0.07% U_3O_8 over 40 meters (including 0.12% U_3O_8 over 5.0 meters and 0.15% U_3O_8 over 6.0 meters), and Hole 25, which returned 0.05% U_3O_8 over 25.0 meters (including 0.10% U_3O_8 over 2.0 meters and 0.11% U_3O_8 over 6.0 meters).

With a strike length of 340 meters so far, and U_3O_8 intersections ranging from one meter to 25 meters in thickness, Anna Lake has the potential to become a significant open pit deposit. Additional drilling will tell the tale.

In the meantime, Bayswater’s share price has perked up recently, partly due to the Anna Lake results, and partly because of the

nascent rebound in the price of uranium, but perhaps primarily due to the growing realization of how extensive the company's upcoming exploration programs will be.

Over the next year, for example, Bayswater could spend as much as \$20 million and drill as many as 12 properties. While an effort that large is no guarantee of success, it does shave the odds a bit.

In addition, Bayswater is beginning to draw investors' attention to the "pounds in the ground" it has acquired as a result of the recent mergers. Long considered a diversified, early-stage exploration play, the company wants to also be

considered as a value-based resource play.

This two-pronged strategy is already beginning to pay off, as the share price has been revalued upwards. Over the longer term, I expect much more significant gains as the "Super Junior Uranium Company" continues its multi-faceted efforts.

Bayswater Uranium Corporation

Recent Share Price:.....C\$1.27

Shares Outstanding: ..122.5 million

Market Cap:.....C\$155.6 million

Shares Outstanding

Fully Diluted:.....157.8 million

Market Cap

Fully Diluted:C\$200.4 million

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