

## Bayswater Issues NI 43-101 Technical Report on Elkhorn Project

**Increases Compliant Indicated Resources by 1.95 Million Pounds eU3O8 and Inferred Resources by 0.57 Million Pounds eU3O8**

Vancouver, BC, January 11, 2010 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWFD](#)) is pleased to announce the results of an independent National Instrument (NI) 43-101 Technical Report for its Elkhorn Uranium Project in the Black Hills area of northeastern Wyoming. The study was conducted by Tom Pool, P.E., of International Nuclear, Inc., based in Golden, Colorado, and was prepared for Bayswater’s wholly owned U.S. subsidiary, NCA Nuclear, Inc. (NCA). The Elkhorn estimate shows an Indicated Resource of **1.95 million pounds of uranium oxide at an average grade of 0.17% eU3O8 in 562,000 tons and an Inferred Resource of 570,000 pounds of uranium oxide at an average grade of 0.14% eU3O8 in 199,000 tons.**

NCA’s Elkhorn Uranium Project comprises two groups of properties, designated the Elkhorn Properties, owned 100% by Bayswater, and the Hauber Project Properties, a venture between NCA and NFUR HAUBER, LLC, a subsidiary of Ur-Energy Inc. (TSX: [URE](#)). NCA can earn a 75% interest in the Hauber Project Properties by expending US\$1.0 million on the properties over four years, as described in a previous announcement dated December 1, 2009.

As part of the Company’s effort to consolidate and expand its Elkhorn Project, Bayswater commissioned International Nuclear Inc. to prepare a NI 43-101 Technical Report on the Elkhorn Project, which includes most project areas held by Bayswater in the Black Hills region of Wyoming and the resources included within the Hauber Project Venture with Ur-Energy.

### Resources

The Elkhorn Properties, included in the NI 43-101 report, comprise four separate properties, Hauber II, Hauber Fall River, Storm, and Dinky Creek/TL. Hauber II holds 0.5 million pounds of indicated eU3O8 at an average grade of 0.18% eU3O8; the other three properties hold another 0.5 million pounds of inferred eU3O8 at an average grade of 0.14% eU3O8, as detailed in the table below.

Elkhorn Properties - Current Indicated Resources - NCA 100% Interest						
Property (Host)	Cut-Off	Thickness (ft)	Grade (% eU <sub>3</sub> O <sub>8</sub> )*	Area (ft <sup>2</sup> )	Tons (st)	Pounds (eU <sub>3</sub> O <sub>8</sub> )
Hauber II (Lk)	6' @ 0.12	8.1	0.18	258,000	139,000	501,000
Elkhorn Properties - Current Inferred Resources - NCA 100% Interest						
Hauber Fall River (FR)	2' @ 0.07	3.6	0.16	196,000	46,000	153,000
Storm (FR)	2' @ 0.07	4.9	0.14	412,000	117,000	325,000
TL & Dinky Creek (FR)	2' @ 0.07	2.8	0.13	86,000	16,000	40,000
<b>Total/Average</b>	-	<b>4.0</b>	<b>0.14</b>	<b>694,000</b>	<b>179,000</b>	<b>518,000</b>

The Hauber Project portion includes five properties, Shallow Fall River, Hulett Creek, Poison Creek, Section 9, and Tract 39. The properties hold approximately 1.45 million pounds of indicated eU3O8 at an average grade of 0.17% eU3O8 and 52,000 pounds of inferred eU3O8 at an average grade of 0.13% eU3O8, as detailed in the table below.



Hauber Project Properties - Current Indicated Resources - NCA/Ur-Energy						
Property (Host)	Cut-Off	Thickness (ft)	Grade (% eU <sub>3</sub> O <sub>8</sub> )*	Area (ft <sup>2</sup> )	Tons (st)	Pounds (eU <sub>3</sub> O <sub>8</sub> )
Hulett Creek (Lk)	6' @ 0.12	7.6	0.21	218,000	111,000	467,000
Hulett Creek (Lk)	6' @ 0.06	5.5	0.11	211,000	77,000	166,000
Poison Creek (Lk)	6' @ 0.12	8.5	0.43	69,000	39,000	335,000
Poison Creek (Lk)	2' @ 0.07	2.3	0.18	157,000	24,000	84,000
Section 9 (Lk)	6' @ 0.12	12.3	0.17	40,000	33,000	109,000
Section 9 (Lk)	6' @ 0.06	7.2	0.08	140,000	67,000	110,000
Tract 39 (Lk)	6' @ 0.12	6.2	0.16	46,000	19,000	61,000
Tract 39 (Lk)	6' @ 0.06	7.0	0.08	118,000	53,000	116,000
<b>Total/Average</b>	-	<b>6.3</b>	<b>0.17</b>	<b>999,000</b>	<b>423,000</b>	<b>1,448,000</b>
Hauber Project Properties - Current Inferred Resources - NCA/Ur-Energy						
Shallow Fall River (FR)	2' @ 0.07	5.7	0.13	52,000	19,000	52,000

\*eU<sub>3</sub>O<sub>8</sub> refers to determination of uranium content by radiometric methods, as confirmed by chemical assays

### History of Region

Homestake Mining Company was the major historical explorer of the district and operated the Hauber underground mine and several small open pit mines during the 1950's and 60's. The Hauber Mine produced approximately 2.6 million pounds U<sub>3</sub>O<sub>8</sub> at an average grade of 0.22% U<sub>3</sub>O<sub>8</sub> during the period 1957 - 1966. Following mine closure, Homestake continued to explore the region for a number of years. This program identified a major uranium trend in the region and several areas of concentrated mineralization.

### Data Base

Homestake's data base for the region consists of information from thousands of drill holes, both rotary and core; it also includes maps, gamma logs and chemical assay information from their program. NCA has access to this database and has made extensive use of this information in its exploration program. International Nuclear had full access to the Homestake data base as well as NCA data in order to prepare the report.

### Geology

Uranium resources in the Elkhorn/Hauber area occur in two formations: the relatively shallow Fall River Formation and the underlying Lakota Formation. In both cases, resources occur as roll fronts in sandstone. Uranium minerals in unoxidized formations are primarily uraninite and coffinite while oxidized formations mainly contain uranium vanadates such as carnotite, tyuyamunite and metatyuyamunite. Vanadium is a potential by-product and has been recovered as such in historical operations in the district. The overall uranium/vanadium ratio has been about 1 : 1.7.

### ISR Amenability

Homestake Mining engaged the Colorado School of Mines Research Institute (CSMRI) in 1979 to conduct testwork on Hauber area ore to determine its amenability to in-situ recovery (ISR) methods. The results of the sodium carbonate/bicarbonate leach tests revealed recoveries up to 87%. Homestake also conducted limited hydrologic testing to acquire data on the amenability of the host sandstones to ISR methods.



### Elkhorn Project Plans

NCA has developed a focused program for 2010, including continued land acquisition and consolidation, digitizing of the Homestake data base, and a limited drill program on at least the Hauber Project Properties. The drill program will be designed to test the amenability of the properties to in-situ recovery of uranium. NCA will also recalculate the resources for an updated NI 43-101 report based on different cutoffs, reflecting current industry practices for ISR production. This recalculation, based on the evaluation of more than 2000 original logs, core holes and geologic data, is expected to result in a significant increase in 43-101 compliant resources. The goal is to continue to move the Elkhorn project toward feasibility and production, behind the timeline for the Company's flagship Reno Creek project—currently being acquired from Strathmore Minerals Corp. (TSX-V: [STM](#)). The Elkhorn and Reno Creek projects are located about 90 miles apart in northeast Wyoming.

### Presidents Comment

“This Technical Report represents the next step in Bayswater's efforts to consolidate and expand the Company's uranium resources in the northwestern Black Hills region of Wyoming. In line with this expansion, we anticipate the issuance of updated resource reports by mid-year,” states Mr. George Leary, President of Bayswater. “The Elkhorn Project, in combination with our adjacent Alzada Project in neighboring Montana is an exciting second project in the resource pipeline that potentially provides us with another complementary production opportunity.”

### Additional Resources

The above reported compliant resources for the Elkhorn project are in addition to a previously reported resource for the Busfield deposit in April 2007, in which SRK reported Indicated Resources of 397,000 lbs of eU3O8 in 250,000 tons at an average grade of 0.08%, plus Inferred Resources of 5000 pounds of eU3O8 in 3000 tons at an average grade of 0.08%. NCA subsequently conducted drilling during 2008, and the results are still in process of being evaluated—but drilling indicated substantial expansion of the mineralized zones. NCA also holds a 100% interest in the Tract 41 project, adjacent to the Tract 39 project in the Hauber Project. Also, results of Tract 41 drilling will be incorporated into the updated NI 43-101 report in 2010.

The Company's exploration activities are conducted under the supervision of George M. Leary, M.Sc. P. Eng. (BC), President of the Company, and Victor Tanaka, B.Sc. P.Geo. (B.C.), Chief Operating Officer of the Company. Both are qualified persons under NI 43-101. George Leary is the qualified person responsible for the technical information in this news release. Tom Pool, P.E., who is a qualified person, has reviewed and approved this news release.

### **About Bayswater Uranium Corporation - The Super Junior Uranium Company™**

Bayswater Uranium Corporation is an international uranium exploration and development company. The Company owns several advanced uranium properties in the United States with significant historical resources that may be amenable to ISR and/or conventional mining. As well, Bayswater is the only uranium company to have major landholdings in each of Canada's most important producing and exploration regions - the Athabasca Basin, the Central Mineral Belt, and the Thelon Basin. Bayswater combines a balanced portfolio of advanced and exploration projects with the uranium expertise of its technical and managerial teams. To capitalize on current market conditions and strong growth of the nuclear industry, the Company is pursuing acquisition opportunities of advanced-stage uranium projects with near-term production potential. Bayswater's vision is to build a major international uranium company. Shares of the Company are listed on the TSX Venture Exchange under the symbol “BYU”. For further information visit [www.bayswateruranium.com](http://www.bayswateruranium.com).



On behalf of the Board of:

**BAYSWATER URANIUM CORPORATION**

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