

Drilling Underway and Extended to Test New Target at Collins Bay Extension Project in Athabasca Basin

New Drill Target Identified 8 Kilometres East of Cameco's Collins Bay-Eagle Point Mine

Vancouver, BC, March 1, 2010 — Bayswater Uranium Corporation (TSX-V: [BYU](#)), (OTC: [BYSWF](#)) is pleased to report that drilling is now underway on the Fife Island target on the Collins Bay Extension Project (“the Project”), and that additional drilling is planned for a second, large and well-defined conductivity/gravity anomaly target located 8 kilometres due east of Cameco Corporation’s (TSX: CCO) Collins Bay-Eagle Point Mine. Project operator, CanAlaska Uranium Ltd. (TSX.V: CVV) (“CanAlaska”) have increased personnel to manage the program which will drill test shallow targets at Fife Island with an initial 5 – 7 holes; and a minimum of 3 holes at the new target.

Collins Bay Extension Project

The Collins Bay Extension Project is immediately adjacent to the current producing underground Eagle Point mine and the past producing open pit mines of Collins Bay and Rabbit Lake, mined by Cameco Corporation and its predecessors.

Extensive exploration, including land and lake bottom geochemical sampling, airborne VTEM and magnetic surveys and limited drilling has previously been carried out by Bayswater on the Project. As a result, numerous targets remain to be drill tested in favourable geological, geochemical and geophysical settings associated with basement conductive zones and structures favourable for high grade unconformity type mineralization.

In July 2009, Bayswater optioned the Collins Bay Extension property to CanAlaska. Under the terms of the Option, CanAlaska shall act as the exploration operator and may earn a 51% participating interest in the Project by undertaking a minimum of \$4.0 million in exploration expenditures within 5 years and issuing a total of 500,000 shares to the Company over this period. CanAlaska may increase its participating interest in the Project to a 70% level by successfully undertaking a further \$2.0 million in exploration expenditures over a period of 3 years.

Fife Island Target

In September 2009, CanAlaska’s field crews mapped and sampled mineralization in the Fife Island area north of the Eagle Point mine and along the its geological trend in preparation for the winter drill program.

CanAlaska is currently drill-testing the structurally-controlled uranium mineralization intersected in historical Minatco drill holes (1984) MWLD8 to MWLD13. The best of these historical holes intersected **0.152 per cent U₃O₈ over four metres** (over three pounds per ton U₃O₈), along an offset structure on the northern part of Fife Island, in an area designated as the Vic zone.

The drill target is at shallow depth (110 metres) and will be tested with at least five holes adjacent and below the intersection. Additional drill holes are planned for the on-strike extension of the structural splay.



Second Target Area (Blue Island)

The new target, south-west of Blue Island, was identified from the VTEM airborne geophysical survey completed in 2007 by Bayswater. Inversion of the data by CanAlaska defined two large zones (700m x 500m) of very high conductivity in basement rocks, located below conductive lake sediments and straddling an east-west magnetic structural trend. Detailed gravity surveys across the target in January, 2010 have confirmed a large gravity low associated with each of the deeper conductive zones. CanAlaska intends to carry out a drill program comprising a minimum of three exploratory holes to depths of 400 to 500 metres to test the target zones during the next four weeks.

George Leary, president of Bayswater stated, “We are excited about the drill follow up of an historical drill intercept after reevaluation by CanAlaska’s knowledgeable technical team. The second new drill target, defined by state-of-art VTEM and gravity surveys which indicate a conductor in coincidence with an alteration system and favourable structure, has the size, geological and geophysical character and proximity to known uranium deposits that are highly favourable indications of a significant target. We look forward to the results of drilling on both of these targets.”

Further information on the Collins Bay Extension Project is available on the Company’s website at <http://www.bayswateruranium.com/projects/collinsbayextension.html>.

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.

On behalf of the Board of:

BAYSWATER URANIUM CORPORATION

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Statements in this news release other than purely historical information, including statements relating to the Company’s future plans and objectives or expected results, constitute forward-looking statements. Forward-looking statements are based on numerous assumptions and are subject to all of the risks and uncertainties inherent in the Company’s business, including risks inherent in mineral exploration, development and mining. There can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on such statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

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