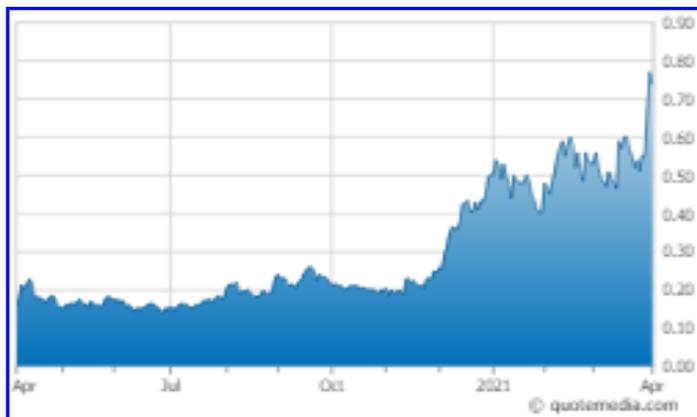


# Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

Investment Alert – April 5, 2021

www.canalaska.com



## CanAlaska Uranium Ltd. (C\$ 0.74)

TSX.V : CVV  
OTCBB : CVVUF  
Frankfurt : DH7N

H+L prices (12 months) : C\$ 0.78 – 0.14

Issued shares : 79.2 million  
Fully diluted : 110.8 million

Market capitalization : C\$ 58.6 Million  
(US\$ 46.7 million)

**2021 price target: C\$ 1.20**

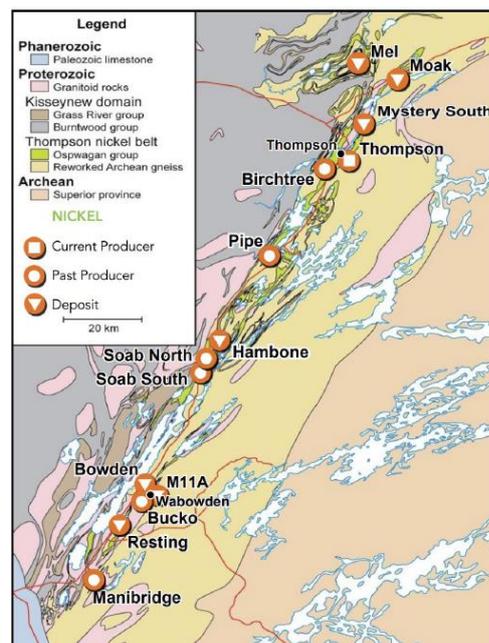
## INVESTMENT ALERT

### ► CanAlaska deals Manibridge Nickel Project in Thompson Nickel Belt, Manitoba

On March 30, 2021, **CanAlaska Uranium (“CanAlaska”)** announced that it had entered into a Letter of Intent (“LOI”) with **D Block Discoveries (“DBD”)**, a private company wholly owned by **Ore Group** to allow BDB to earn up to 100% interest in **CanAlaska’s** 100%-owned 4,368 hectares **Manibridge Nickel Project** in **Manitoba, Canada** (see figure).

**DBD** may earn up to 100% interest in the Project by undertaking work and payments in three defined earn-in stages. (“Stage 1”) in the project by paying the Company \$ 30,000 cash, issue \$ 275,000 worth of common shares and incur \$ 500,000 in exploration expenditures on the Project within 12 months of TSX Venture Exchange approval date.

**DBD** may earn an initial 49% interest (“Stage 1”) in the Project by paying the Company \$ 30,000 cash, issue \$ 275,000 worth of common shares and incur \$ 500,000 in exploration expenditures on the Project within 12 months of TSX Venture Exchange approval date.



DBD may earn an additional 21% interest (“Stage 2”) in the Project by paying to the Company a further \$ 50,000 cash, issue a further 1.5 million common shares in DBD and incur an additional \$ 1.5 million in exploration expenditures on the Project within 2 months of entering the Stage 2 option.

**DBD** may earn an additional 30% interest (“Stage 3”) in the Project by paying to the Company a further \$ 100,000 cash, issue a further 1.5 million commons shares in DBD and incur an additional \$ 2.0 million in exploration expenditures on the Project within 24 months of entering the Stage 3 option.

The three option stages to a total interest earned of 100% over a time line of 36 months embraces a total cash payment of \$ 180.000, DBD shares issued of 6.5 million and exploration expenditures of \$ 4.0 million.

After successful completion of either Stage 1 or Stage 2 of the option agreement, and if **DBD** elects not to enter the final stage, a joint venture will be formed and the partners will either co-contribute on a simple pro-rate basis or dilute on a pre-defined straight-line dilution formula.

During Sage 1 and Stage 2 of the option agreement, **CanAlaska** will be operator of the Project. **DBD** will have sole voting rights on exploration programs while sole funding at the various option stages and will have the right to assume operatorship after successfully earning 70% interest in the Project (“Stage 2”).

As part of completing the Stage 1 option, **DBD** will grant to **CVV** a 1% Net Smelter Return (NSR) royalty on claims P1271F and P1272F, and a 2% NSR royalty on all other claims.

## ► **Manibridge Nickel Project**

The **Manibridge nickel deposit** was discovered in 1963 by Falconbridge (as Glencore was then named) following up on coincident magnetic and electromagnetic anomalies that were thought to be caused by an ultramafic body. The second hole of the program intersected the fringes of what would become the Manibridge Mine.

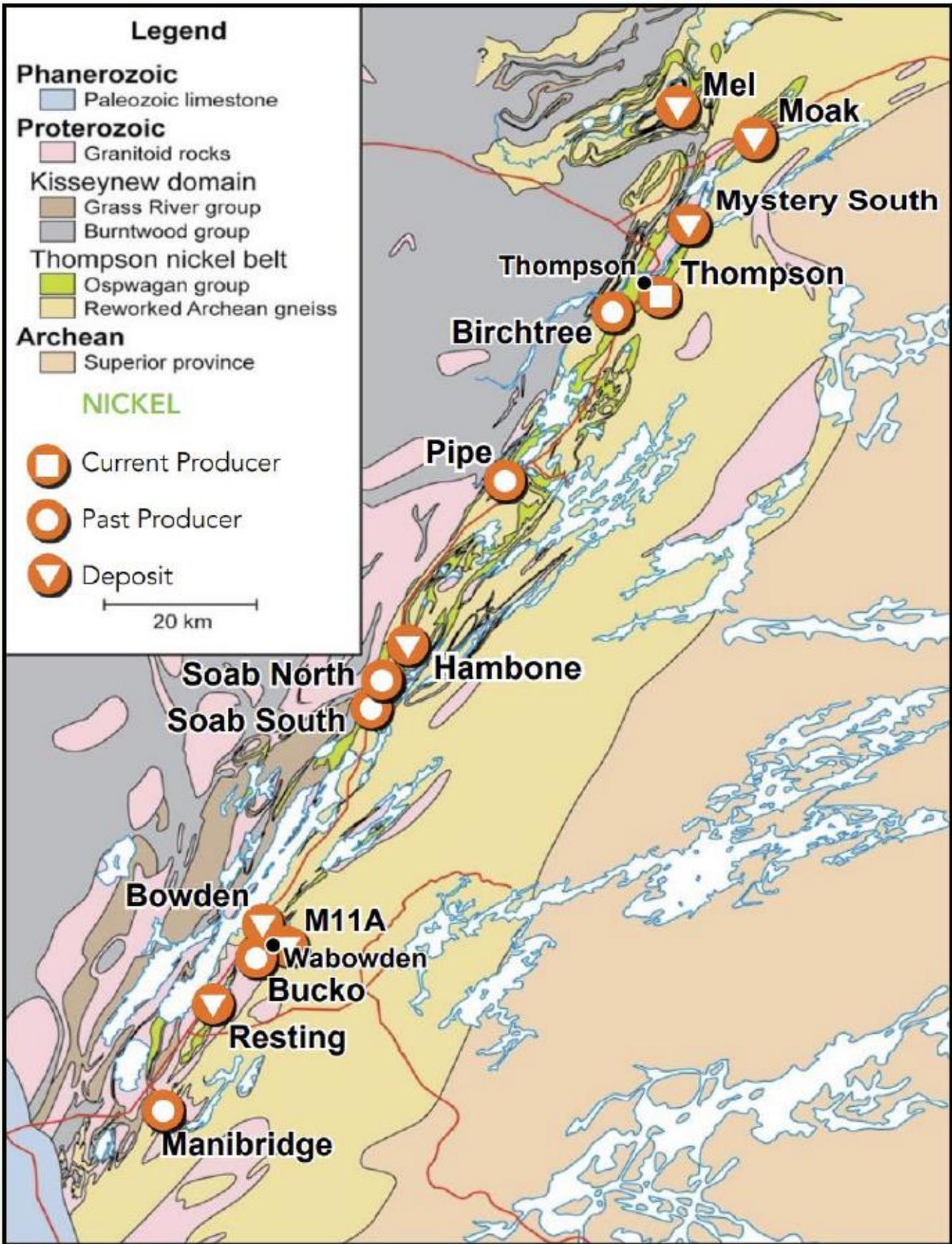
Sulphide nickel mineralization is hosted within an elongate, folded ultramafic body that extends for at least 3.2 kilometres with nickel-bearing sulphide mineralization throughout (Figure 1). The **Manibridge nickel deposit** is located within the core of a major fold axis with up to ten sulphide lenses that conform to the fold pattern and plunge to depths in excess of 380 metres.

A production decision was made in 1969 on an initial mineral inventory of 1,409,000 tons (including 15% dilution) at an average grade of 2.25% nickel and 0.27% copper to a depth of 380 metres. The mine was operational from 1971 to 1977 with concentrate shipped to both Sudbury, Ontario and Thompson, Manitoba. Mining occurred to a depth of 300 metres and the mine infrastructure has since been reclaimed.

In 2007, Crowflight Minerals and Pure Nickel formed a 50-50% joint venture to explore the Manibridge claims. The 2008 exploration program intersected two new zones of nickel mineralization within 400 metres of the Manibridge deposit. Further drilling confirmed the extension of the mineralization below the mine workings. The most significant results from drill holes MN08-01, MN08-02 and MN08-04 respectively include: 16.75 metres (55 feet) @ 1.38% Ni; 5.45 metres (17.9 feet) @ 1.18% Ni; and 6.3 metres (20.7 feet) @ 1.37% Ni.

**In 2019 a 800 metre drill program completed by CanAlaska 2.5 kilometres north along the mine trend intersected a broad fold structure that included multiple high-grade nickel assays up to 12.06% nickel.**

**CanAlaska Uranium** holds interests in approximately 214,000 hectares (530,000 acres), in Canada's **Athabasca Basin** – the “Saudi Arabia of Uranium.” CanAlaska's strategic holdings have attracted major international mining companies. The Company is currently working with **Cameco** and **Denison** at two of the Company's properties in the Eastern Athabasca Basin. **CanAlaska** is a project generator positioned for discovery success in the world's richest uranium district. The Company also holds properties prospective for **nickel, copper, gold and diamonds.**



## Finance

On March 26, 2021, **CanAlaska** announced the second and final tranche closing of a \$ 3.0 million oversubscribed private placement financing from the sale of C\$ 845,600 raised from flow-through units and C\$ 2,154,000 from the sale of non-flow-through units (NFT) being sold at a price of C\$ 0.50 per non-flow-through unit and flow-through units (FT) being sold at C\$ 0.64 per flow-through unit.

Each NFT unit is comprised of one non-flow-through common shares and one-half (0.5) of one warrant. Each FT unit is comprised of one flow-through common share and one-half (0.5) of one warrant.

The warrants for all units are the same with each whole warrant entitling the holder thereof to purchase one non-flow-through common share for the period of 2 years at a price of C\$ 0.75.

### Investment comments:

The flagship **West McArthur Project** was originally under a 50% joint venture with Mitsubishi of Japan up to mid-January 2016 and as of October 2018 is under a new operational 30% venture agreement with **Cameco**. For 2021, a substantial work program is anticipated.

Besides having increased its owned large uranium blocks by 3 to 7 blocks in the **Eastern Athabasca**, the Company's other major projects are: **Cree East Uranium Project** in Saskatchewan.

Its 100%-owned **Manibridge Nickel Project** in the **Thompson Nickel Belt**, recognized as the 5<sup>th</sup> largest and 3<sup>rd</sup> highest-grade sulphide nickel belt in the world, now has been optioned to **D Block Discoveries** in three stages over a time period of 3 years.

In addition, considering the progress made on the **West McArthur Project** and the Company's highly prospective project portfolio located in the best mining jurisdictions Saskatchewan and Manitoba, in conjunction with the profitable deal on the **Thompson Nickel Belt**, **CanAlaska**, in my view, offers a high investment leverage potential.

**As a result, I have increased my 2021 price target from C\$ 1.00 to C1.20.**