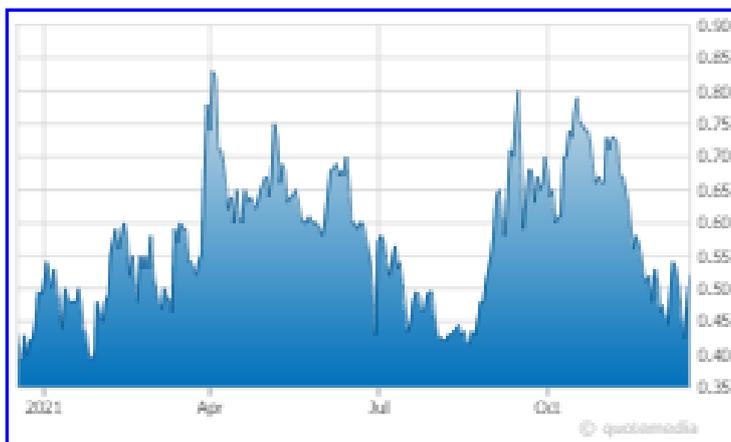


# Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

Investment Alert – December 16, 2021

www.canalaska.com



## CanAlaska Uranium Ltd. (C\$ 0.49)

TSX.V : CVV  
OTCBB : CVVUF  
Frankfurt : DH7N

H+L prices (12 months) : C\$ 0.84 – 0.37

Issued shares : 100.2 million  
Fully diluted : 144.1 million

Market capitalization : C\$ 48.6 Million  
(US\$ 37.9 million)

**2022 price target: C\$ 1.20**

## INVESTMENT ALERT

### ► **CanAlaska doubles 2022 Exploration Program Budget with Cameco at the West McArthur Joint Venture Project**

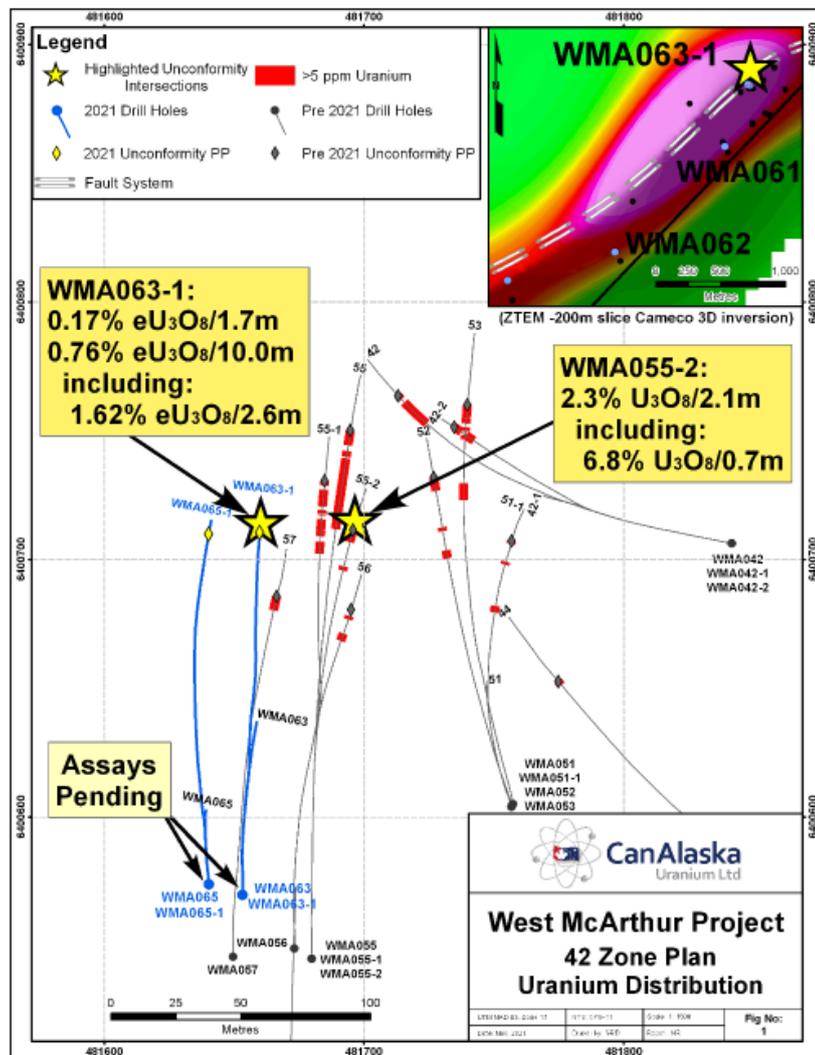
On December 16, 2021, **CanAlaska Uranium** (“**CanAlaska**”) announced the successful completion of the 2021 drilling program at the **West McArthur uranium project** in the **Eastern Athabasca Basin**, a joint venture with **Cameco Corporation**. The objectives of the drill program were extension of the high-grade “**42 Zone mineralization**” and evaluation of the southwestern extension of the “42 Zone” controlling structure along the C10 conclusive corridor. Program objectives were successfully met with the completion of the six-hole, 5,419 metre drill program in early November.

**Initial probing results include a high-grade intersection of 1.62% eU3O8 over 2.6 metres (m). Based on the positive results of the program a C\$ 2.5 million exploration program in 2022 has been approved, double the 2021 budget.**

**The 2021 program was funded by CanAlaska, the project operator, increasing the Company’s major interest in the West McArthur Project to 75.55%.**

At the “**42 Zone**”, drilling intersected two zones of mineralization above the unconformity. The two zones of mineralization are contained within a strongly bleached lower sandstone column that has black sooty pyrite, red hydrothermal hematite, and strong structurally-controlled clay alteration. Due to the strong clay alteration and faulting, very poor core recovery was experienced.

As a result, the Company is reporting calibrated probe values grading 0.17% eU<sub>3</sub>O<sub>8</sub> over 1.7 m from 760.9 m and 0.76% eU<sub>3</sub>O<sub>8</sub> over 10.0 m from 767.0 m, including 1.62% eU<sub>3</sub>O<sub>8</sub> over 2.6 m from 769.1 m. These intersections in WMA063-1 have successfully extended the “42 Zone” by 35 metres to the west of previous high-grade hole WMA055-2.



Evaluation of the conductive corridor that hosts the controlling structure for the “42 Zone” mineralization was also successful over the extension to the southwest during the 2021 drilling program. Two drill hole fences, 700 m and 1,800 m to the southwest, evaluated the fault system in three new drill holes. Along the conductive corridor, these drill holes confirmed that it is strongly altered, both in the basement and sandstone.

Drill hole WMA063-1, collared at an azimuth of 360° with a dip of -79.4° (Figure 1), intersected the two zones of uranium mineralization above the unconformity (Table 1), 35 m to the west of drill hole WMA055-2 in the Company’s “42 Zone” area. WMA055-2, completed in 2019 at an azimuth of 358° with a dip of -75.5°, intersected 2.3% U<sub>3</sub>O<sub>8</sub> over 2.1 m, including 6.8% U<sub>3</sub>O<sub>8</sub> over 0.7 m.

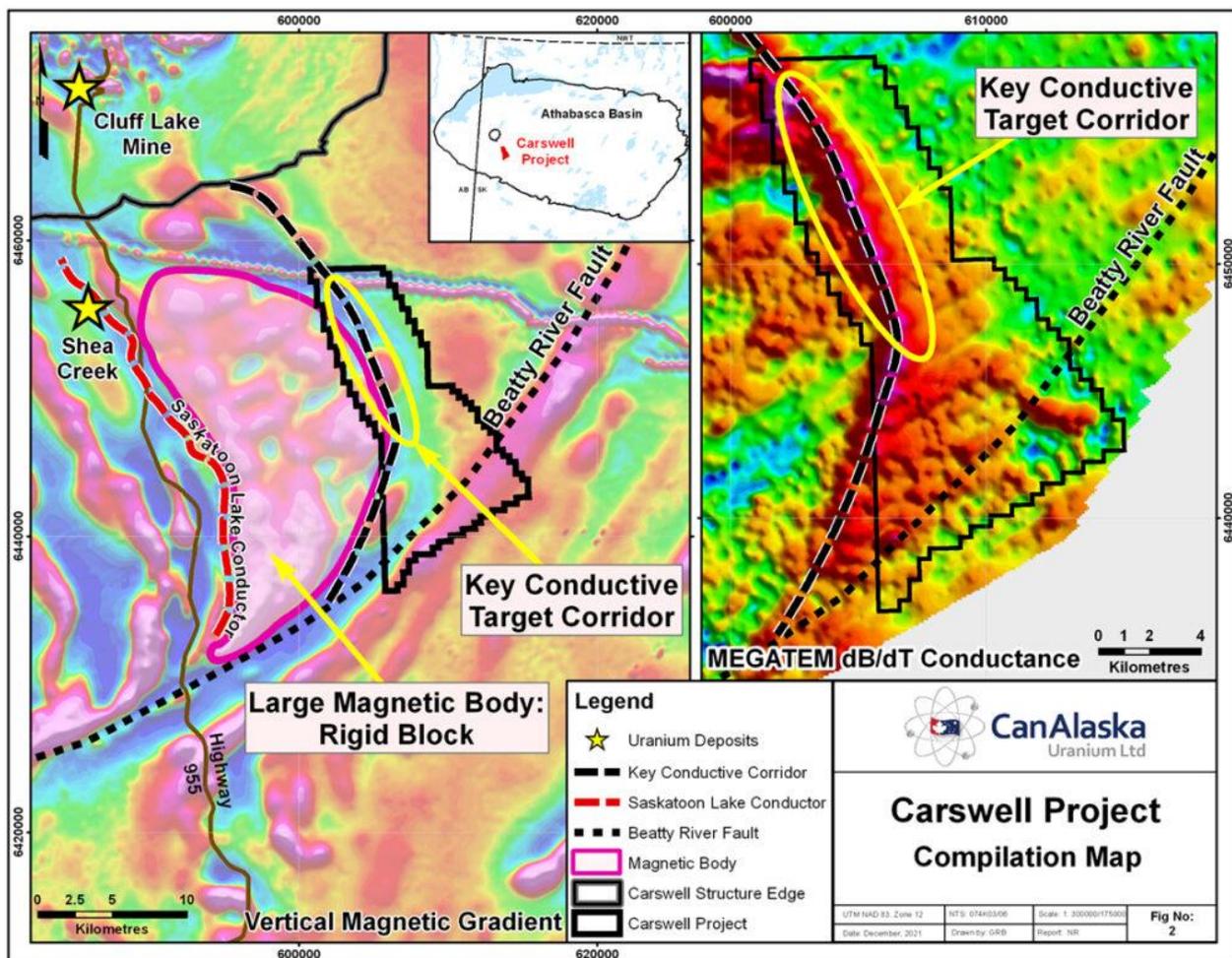
Important to note is that assay data for drillhole WMA055-2 upgraded calculated eU<sub>3</sub>O<sub>8</sub> values in the highest- grade interval.

## ► 2022 Program

The 2022 program will focus on continued testing of the 42 Zone area and the newly identified alteration and structure along the immediate 2 km southwest extension. In addition, geophysics and drilling is planned in a regional program along the remainder of the Grid 5 conductive corridor. **CanAlaska** will fully fund the 2022 program, further increasing its majority ownership, as Cameco has elected to continue to dilute on the project.

On December 9, 2021, **CanAlaska** announced that compilation work on the its newly acquired **Carswell Project**, totalling 13,352 hectares in the **Western Athabasca Basin** has identified a conductive structural corridor which joins the Beatty River Fault Zone to the Carswell structure. The conductive corridor wraps around a large magnetic high body which on the opposite side of the magnetic feature is mirrored by the Saskatoon Lake conductor.

The Saskatoon Lake conductor is host to the high-grade **Shea Creek uranium deposits**. The Company is completing further compilation of the Carswell project and is actively seeking Joint Venture partners.



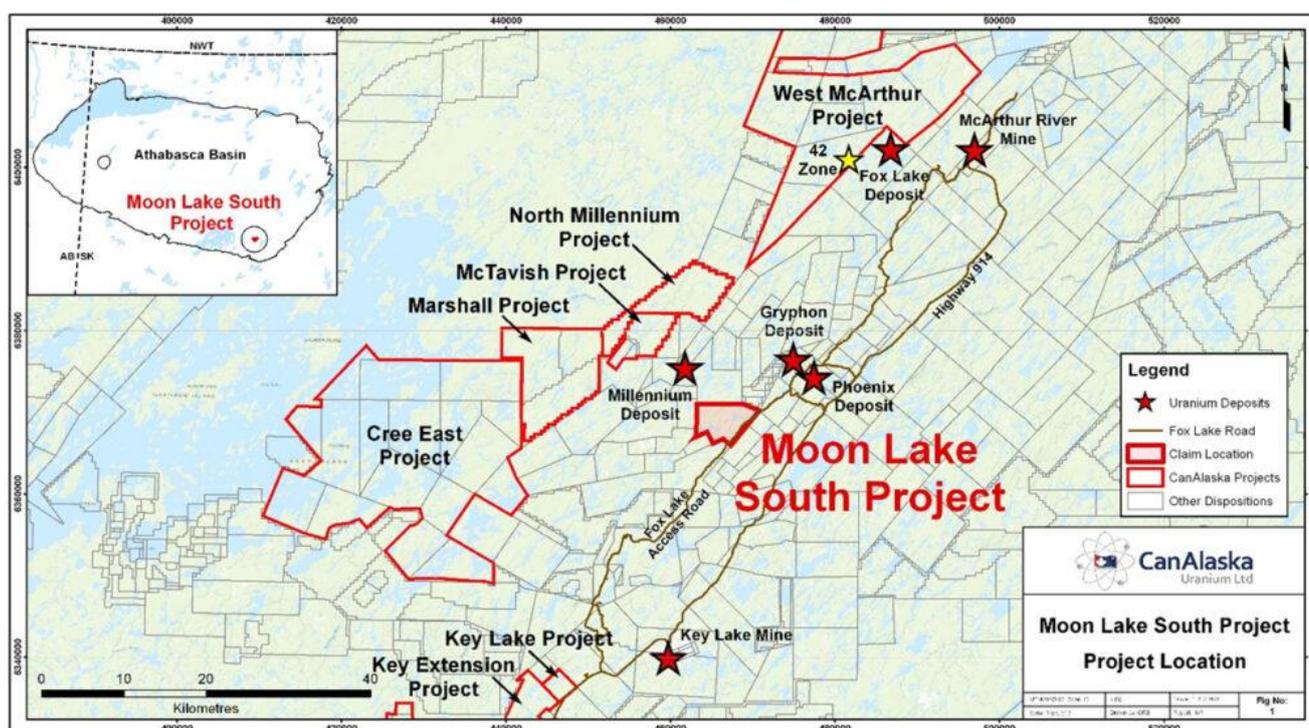
**CanAlaska's Carswell project** is located 15 kilometres east of the Shea Creek deposits, owned by Orano Canada and UEX Corporation. The Shea Creek deposits consist of four deposits of unconformity and basement-hosted uranium mineralization, which combined host 95 million pounds of U<sub>3</sub>O<sub>8</sub> at an average grade of 1.47%. The Shea Creek deposits form one of the largest undeveloped uranium resources in the Athabasca Basin.

**CanAlaska's Carswell project** covers 15 km of a 24 km long magnetic low, coincident with a conductive corridor, that runs along the eastern edge of a large magnetic-high body. Along the western edge of the same large magnetic-high body, the Saskatoon Lake conductor runs through a similar broad magnetic low. The presence of conductive corridors along the edges of magnetic high features creates a strong competency contrast that is important in the formation of large structural traps host to unconformity-hosted uranium deposits. The mirror analog between Shea Creek on the western edge of the magnetic feature and the Carswell project along the eastern edge of the same magnetic feature provides potential for similar brittle fault re-activation and the development of structural traps on the Carswell project.

On December 2, 2021, **CanAlaska** announced joint venture drilling by **JV Partner Denison Mines** has intersected uranium mineralization drill holes MS-21-02 and MS-21-06 at the **Moon Lake South JV Project**. MS-21-02 intersected 0.14% eU3O8 over 0.2 metres above the unconformity and MS-21-06 intersected 0.12% eU3O8 over 0.2 metres below the unconformity.

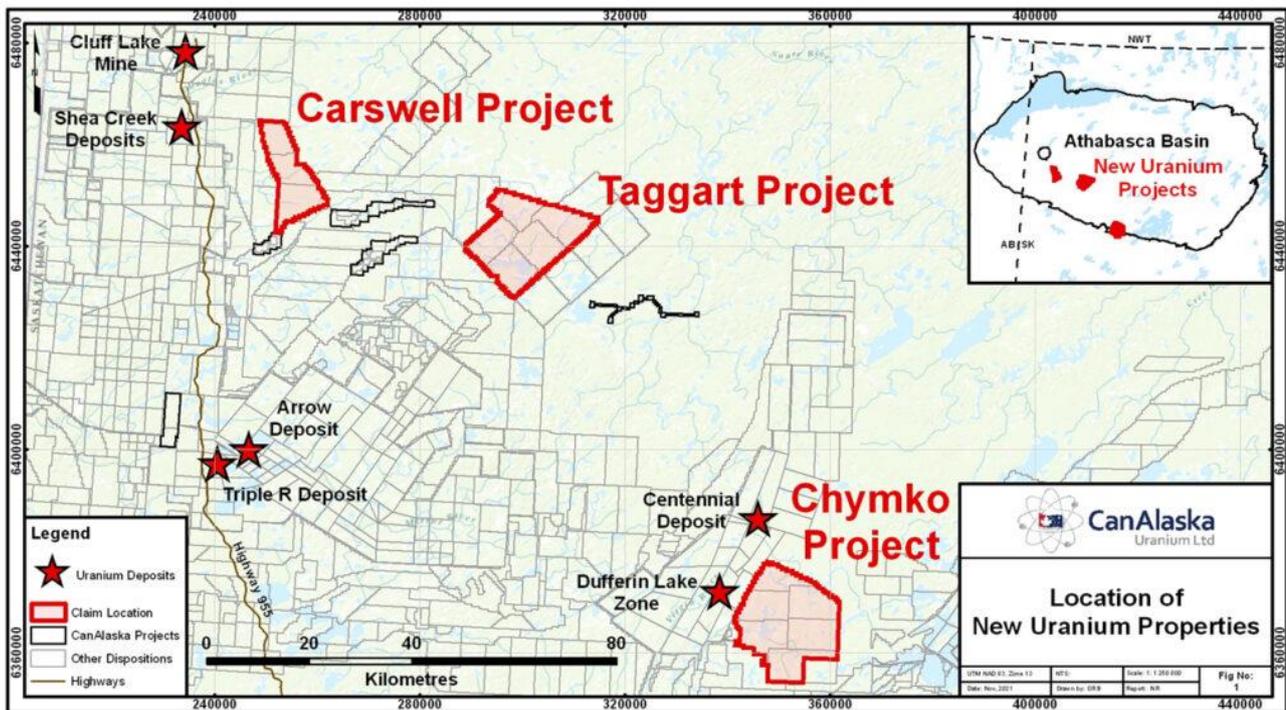
The 2021 drilling program was focused on a 5-kilometre long conductive corridor known as the CR-3 conductor (Figure 2). This mineralized corridor is located approximately two kilometres west of the **K-trend**, host to the **Gryphon Deposit** on Denison's adjacent **Wheeler River property**. The 2021 drilling program consisted of 2,353 metres in four drillholes that successfully reached the target depth.

**Denison** operates the JV project, while **CanAlaska**, which maintains a 25% ownership in the project, is funding the Company's share of the 2021 exploration program.



On November 25, 2021, **CanAlaska Uranium** ("**CanAlaska**") announced that compilation work by the Company's staff has identified uranium potential in three areas of the **Wester Athabasca Basin** and in total 74,283 hectares have been staked.

Work will continue to identify key targets on each project, including **Chymko** (32,603 ha), **Taggart** (28,328 ha) and **Carswell** (13,352 ha).



## Finance

On November 17, 2021, **CanAlaska** announced that it has closed its non-brokered private placement (the “**Offering**”). The Offering has issued ~8.10 million non-flow through units (the “**FT Units**”) at a price of C\$ 0.88 per FT Unit for gross proceeds of C\$ 6.07 million and ~6.16 flow-through units (the “**Charity Units**”) at a price of C\$ 1.00 per Charity Unit for proceeds of ~C\$ 5.42 million, for total gross proceeds of ~C\$ 11.5 million.

Each **NFT Unit** will be comprised of one non-flow-through common share and one-half (0.5) of one warrant. Each **FT Unit** and **Charity Unit** will be comprised of one flow-through common share and one-half (0.5) of one warrant. The warrants for all units will be the same with each whole warrant entitling the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of \$ 1.00.

## Investment comments:

**CanAlaska**'s principal focus has been strategic joint ventures in the **Eastern Athabasca Basin**, where it is currently working with **Cameco** and **Denison**.

The Company's flagship **West McArthur Project** as of October 2018 is under an operational 30% venture agreement with **Cameco**. **CanAlaska** has increased its holding to currently 75.65%.

Based on its high-quality project portfolio located in the best mining jurisdictions **Saskatchewan** and **Manitoba**, and the Company also holding properties prospective for nickel, copper, gold and diamonds, supported by a fully financed aggressive exploration program for its highly prospective **West McArthur Joint Venture Project**, I consider **CanAlaska** to remain substantially undervalued.

**My 2022 price target is C\$ 1.20.**