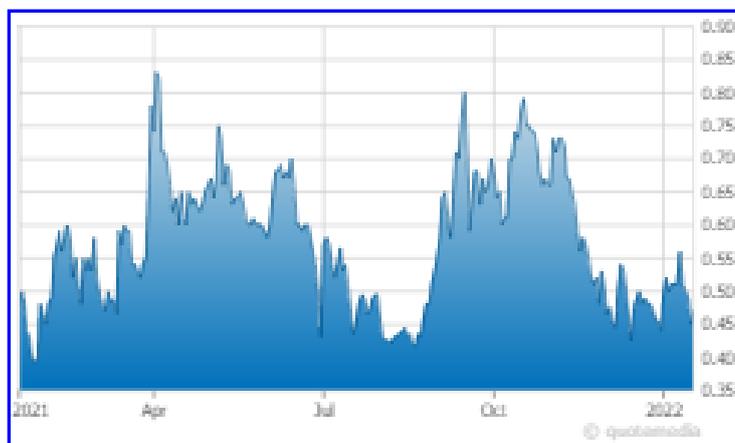


Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

Investment Alert – January 20, 2022

www.canalaska.com



CanAlaska Uranium Ltd. (C\$ 0.47)

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\$ 45.9 Million
(US\$ 36.7 million)

2022 price target: C\$ 1.20

INVESTMENT ALERT

► **CanAlaska partner to spend A\$ 5 million for 60% of two uranium projects in the Athabasca Basin**

On January 19, 2022, **CanAlaska Uranium** (“**CanAlaska**”) announced it has entered into Purchase Option Agreements (“POA”) with **Terra Uranium** of Australia and its wholly-owned Canadian subsidiary **Terra Uranium Canada** (“**Terra**”), to allow Terra to earn up to an 80% interest in **CanAlaska**’s 100%-owned **Waterbury East** and **McTavish** projects. The properties total 4,202.21 hectares in the **Eastern Athabasca Basin** in **Saskatchewan, Canada**.

Terra is in the process of undergoing an initial public offering and concurrent listing on the ASX.

Terra may earn up to an 80% interest in each of the two projects by undertaking work, milestone payments to **CanAlaska** and resource definition in three defined earn-in stages on each project as set out below:

- **Terra may earn an initial 40% interest (“40% Option”)** in each of the projects by paying the Company A\$ 37,500 cash per project and issuing 9% worth of ordinary shares in Terra’s capital structure as at listing on the Australian Securities Exchange (“ASX”) by March 31, 2022 per project.
- **Terra may earn an additional 20% interest (“60% Option”)** in each of the projects by paying a further A\$ 200,000 per project and incurring A\$ 2,500,000 in exploration expenditures within 18 months of the ASX listing date per project.

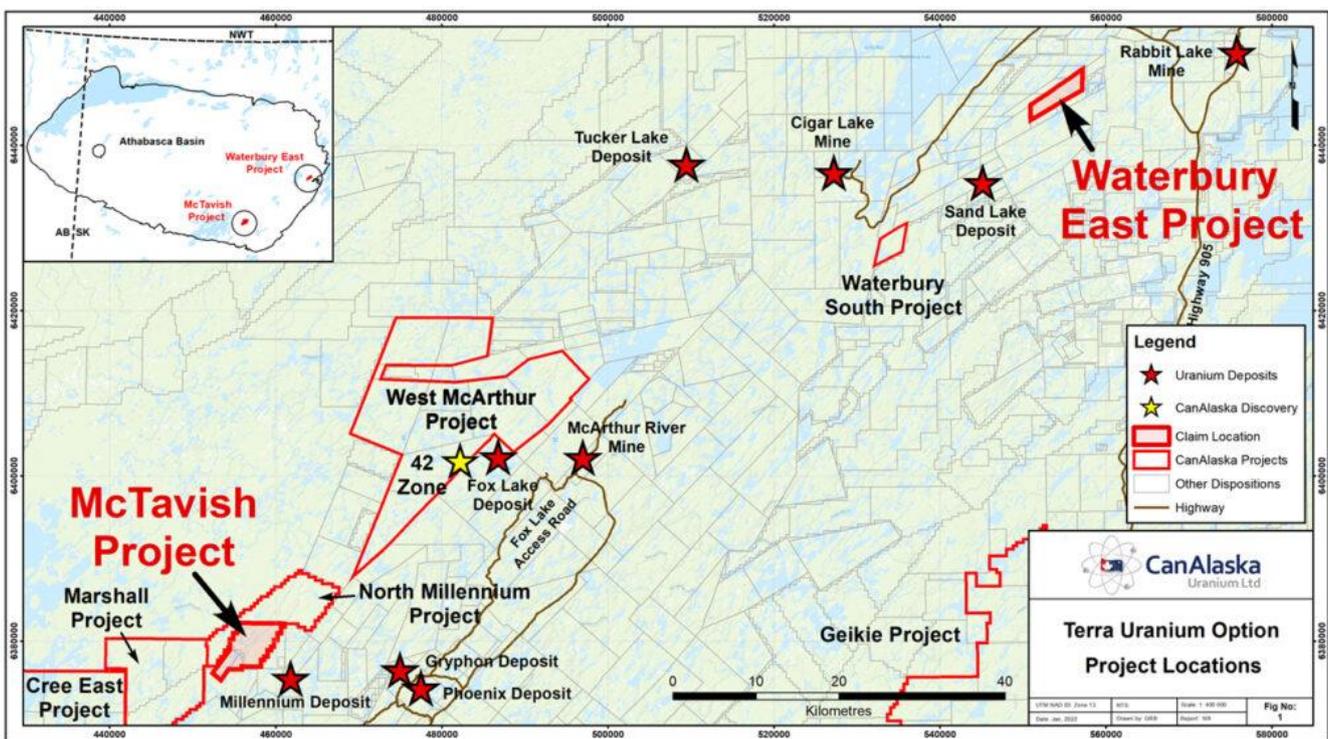
- **Terra may earn an additional 20% interest (“80% Option”)** in the projects by delivering and filing a JORC compliant resource of at least 30,000,000 pounds U3O8 on any of the Waterbury East or McTavish claims, and granting to the Company a 2.25% net smelter returns (NSR) royalty on all products derived from any of the claims, within 36 months of the ASX listing date.

CanAlaska will be Operator of the projects through the 60% Option threshold and charge an operator fee to Terra.

► **First Programs**

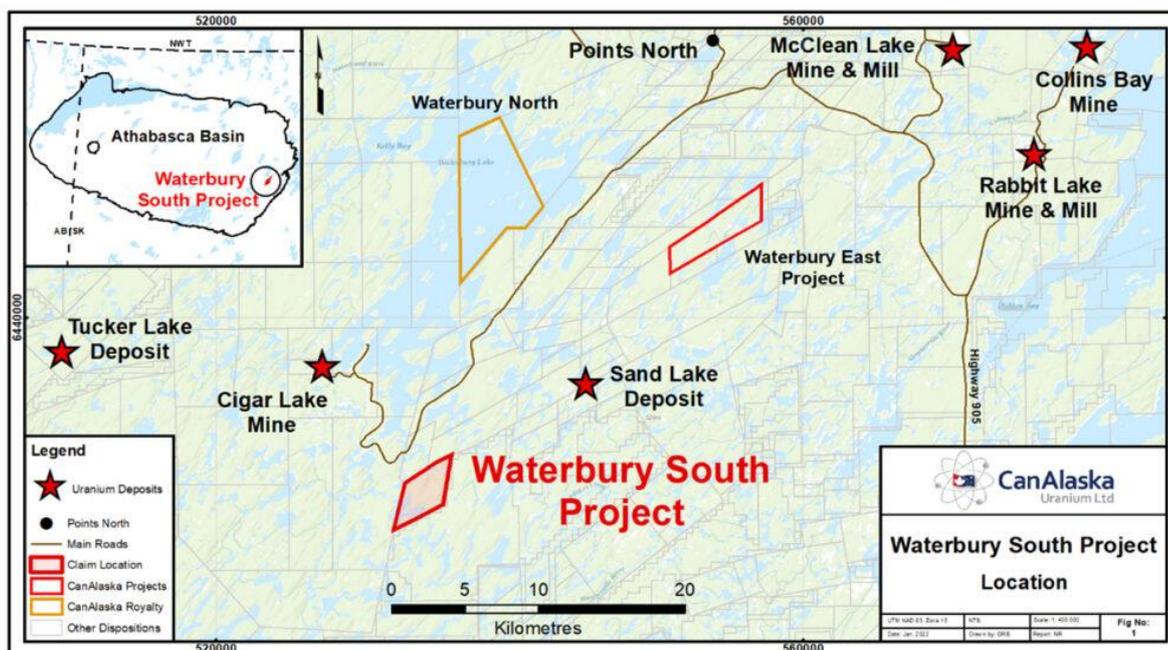
The parties have established a Joint Technical Operating Committee (“JTOC”) under the terms of the POA to discuss exploration and development strategies, review and comment on programs and budgets submitted by the Operator, review the progress and results of activities conducted under the current programs and to discuss other issues in respect to the properties.

The final binding decision with respect to establishing Programs to be carried out by the Operator (including any changes or amendments to Programs) shall be made by Terra Uranium. The preliminary work programs and budgets for each project have been laid out for the next 2 years. Once the 40% Option threshold has been met, it is anticipated the first exploration programs under the POA with Terra will be conducted in early 2022.



On January 13, 2022, **CanAlaska** announced the commencement of a 4,000 metre drill program at the **Waterbury South Uranium Project** in the **northern Athabasca Basin**. The Project is located approximately 10 kilometres southeast of Cameco’s Cigar Lake uranium mine and is 100% owned and operated by **CanAlaska**.

The drill program will focus on the extension of polymetallic unconformity uranium mineralization associated with nickel, arsenic, cobalt and zinc, intersected during the previous 2021 winter drill program.



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%.

The on January 19, 2022 announced partnership with **Terra Uranium** to spend A\$ 5 million for 60% of the **Waterbury East** and **McTavish projects**, offers an important added value to **CanAlaska**'s project portfolio.

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.