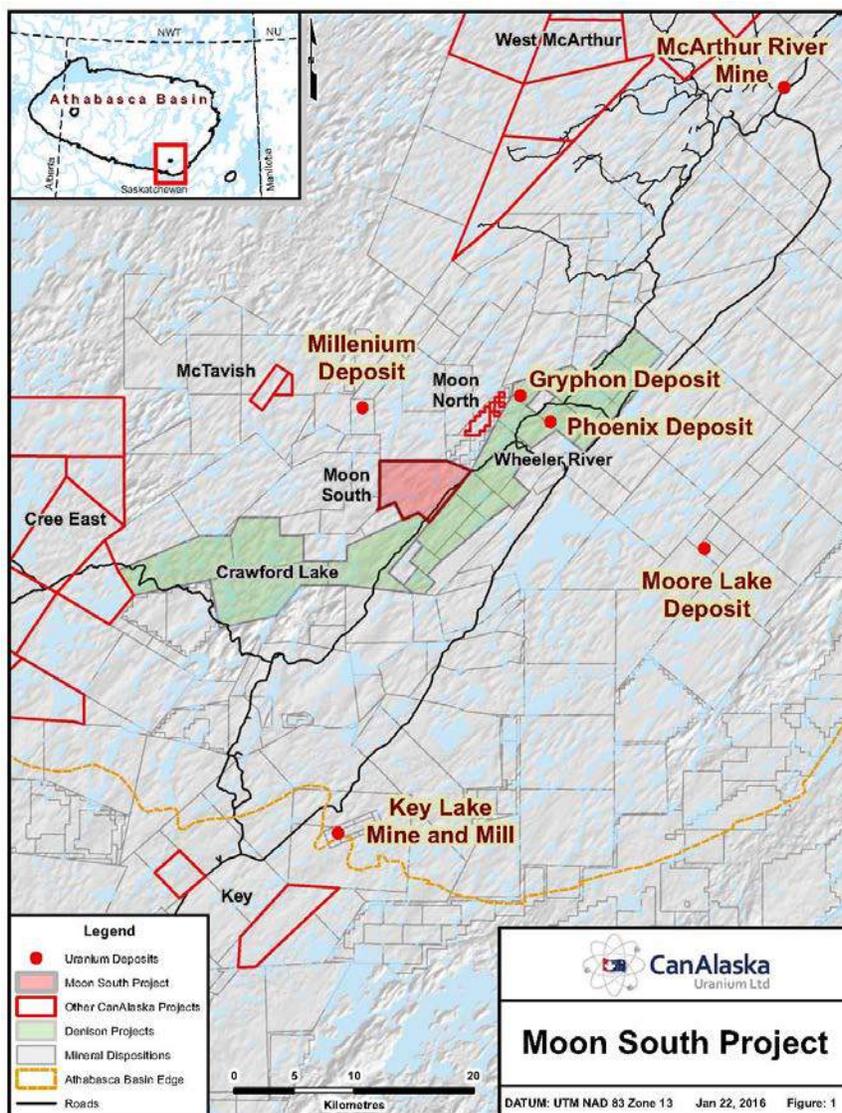


## NEWS RELEASE

### Drilling to Commence by Denison on CanAlaska's Moon Claim

Vancouver, Canada, January 25, 2016 – CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)) “the Company” is pleased to report that the exploration team from Denison Mines Corp. (“Denison”) (TSX: [DML](#), NYSE MKT: [DNN](#)) is preparing to commence an exploration drill program on CanAlaska’s recently optioned Moon South Project, see news release issued [January 5 2016](#).



Denison has informed the Company that they intend to commence the first drill hole on Moon South (see figure 1) in the next weeks.

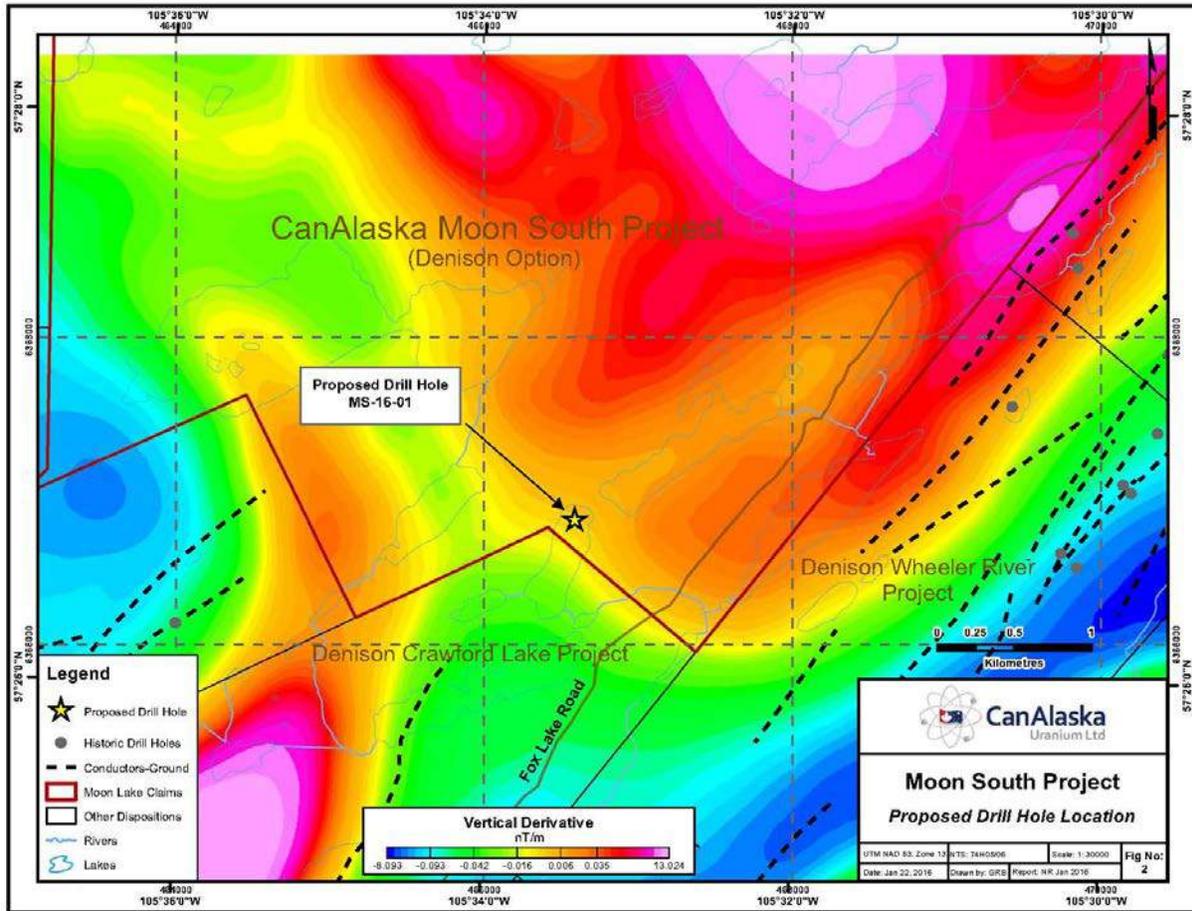
This work will follow a drill program in progress on Denison's adjacent Crawford Lake project. The first drill hole will test the same metasedimentary trend mapped by a DC resistivity survey that is being drilled on the Crawford Lake project.

The proposed drill site is located within a prominent magnetic low, which is thought to represent the location of major cross structures. Such cross structures may be regional fault zones, many of which are associated with basement fluid flow and associated uranium mineralized zones.

The target is on strike with a basement EM conductor on the adjacent Crawford Lake property mapped by Denison in 2007. As shown in figure 2, the trace of the conductor diminishes as it approaches the northwest

trending magnetic low. A series of regional EM conductors located to the northeast of the target have been intensively drilled in the past, and they too are shown to diminish across the postulated structural break, indicating the potential for a much larger areas of fluid flow associated with the target.

The planned drill hole (MS-16-01) is anticipated to start before the end of February. Depending on results, Denison may decide to complete a second hole to follow up on the target.



President Peter Dasler commented, “We are very pleased to have Denison as a partner on this project. This area of the southeastern Athabasca has shown excellent potential for uranium mineralization in the past, and is near the Key Lake uranium mine complex. The recent advances in exploration technology and modeling has driven success by Denison within this corridor of conductors. We are optimistic that this initial drilling will provide a robust target for further exploration.”

In other matters the Company is in advanced discussion with third parties in relation to its key landholdings in the Athabasca region.

The qualified technical person for this news release is Dr Karl Schimann, P. Geo, VP Exploration, for CanAlaska.

### **About CanAlaska Uranium**

**CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#))** holds interests in approximately 700,000 hectares (1.7 million acres), one of the largest land positions in Canada's Athabasca Basin region – the "Saudi Arabia of Uranium". CanAlaska's strategic holdings has attracted major international mining companies Mitsubishi, KORES and KEPCO as partners at its core projects. CanAlaska is a Project Generator and is positioned for discovery success in the world's richest uranium district. For further information, visit [www.canalaska.com](http://www.canalaska.com).

On behalf of the Board of Directors

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The TSX-V has not reviewed and does not accept responsibility for the adequacy or accuracy of this release: CUSIP# 13708P 10 2.