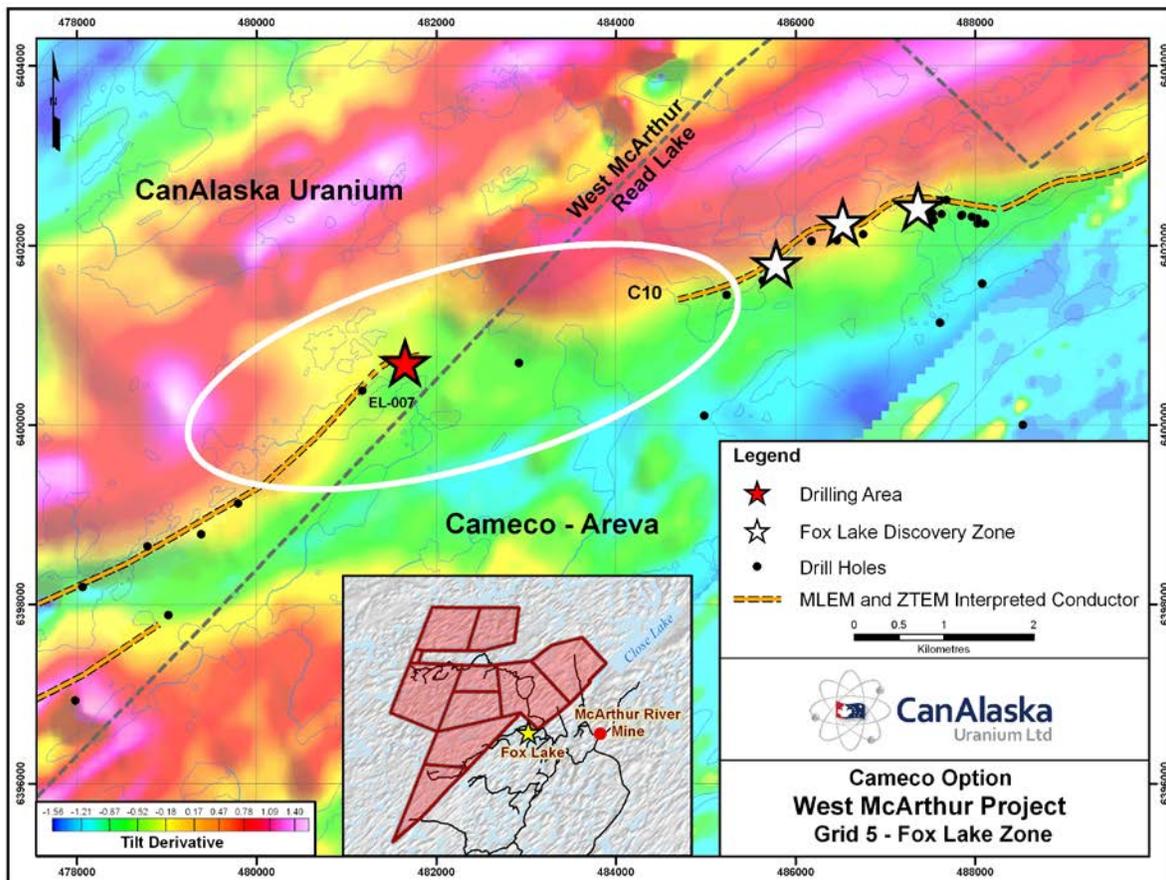


## NEWS RELEASE

### Cameco Commences Drilling at CanAlaska's West McArthur Project

#### Cameco focusing on Alteration Zone at Major Structural Break in C10 Conductor

Vancouver, Canada, March 29, 2016 –CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)) (“CanAlaska or the Company”) is pleased to announce that the first drill program has commenced on the West McArthur project (“Project”) under the option agreement with **Cameco Corporation** (TSX: [CCO](#); NYSE: [CCJ](#)) (“Cameco”). The agreement enables Cameco to earn up to a 60% interest in the Project through total expenditures of \$12.5 million consisting of cash payments to the Company and accelerating exploration programs, culminating in a joint venture.



The drill program will test new uranium exploration targets on the Grid 5 target, which is believed to host the western continuation of the C10 conductor horizon being explored by Cameco nearby at Fox Lake. The drilling will commence in the vicinity of historic drill hole EL-007 which was drilled in 1989. This hole is located on CanAlaska's West McArthur property near the northern flexure of the main Grid 5 conductor and shows strongly silicified and altered rock in the top 400 metres of the sandstone column. This alteration zone appears to be cut off by a fault, which may correlate with the structure controlling the Fox Lake high-grade uranium mineral trend

CanAlaska president Peter Dasler comments, "We are very pleased with the immediate attention that Cameco has given our project. The previous work carried out at Grid 5 indicates there has been a significant amount of mineralized fluid flow above the unconformity. The experience of the Cameco geological team with their model of high-grade mineralization related to major conductors and cross faults in this area, has already produced one significant zone of high-grade uranium mineralization at Fox Lake. We are all hopeful that extending exploration from the Read Lake property onto the West McArthur property will find additional uranium and a much larger discovery."

The West McArthur Uranium Project covers 35,830 hectares (88,536 acres) commencing 6 kilometres (4 miles) northwest of Cameco's majority owned McArthur River uranium mine. Importantly, the Project is immediately adjacent to Cameco's recently disclosed Fox Lake uranium discovery with reported inferred resources of approximately 68.1 million pounds based on 387,000 tonnes at 7.99% U<sub>3</sub>O<sub>8</sub>. The Fox lake discovery is within the Read Lake project operated by Cameco (Cameco 78.2%, Areva 21.8%).

In other news, the Fond Du Lac project has been returned to the Community as it was near the end of its Federal lease term, and CanAlaska has a focused commitment to its key projects at West McArthur and Cree East. The Company strongly appreciates the support received from the Fond Du Lac Community over the life of the project, and fully anticipates that further work will be carried out on the key target identified by CanAlaska's drill programs. CanAlaska is concentrating on pursuing further property option and joint venture opportunities under confidentiality agreements on its non-core projects. Recently the Company has received interest in its kimberlite exploration targets in the Western Athabasca.

Stay informed of Company and industry developments by subscribing to our email list: <http://www.canalaska.com/s/RequestInformation.asp>.

The qualified technical person for this news release is Dr Karl Schimann, P. Geo., CanAlaska director, and Vice President, Exploration.

### **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 Cameco, 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).

### **About Cameco Corporation**

Further information on Cameco can be found at [www.cameco.com](http://www.cameco.com)

On behalf of the Board of Directors

*“Peter Dasler”*

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