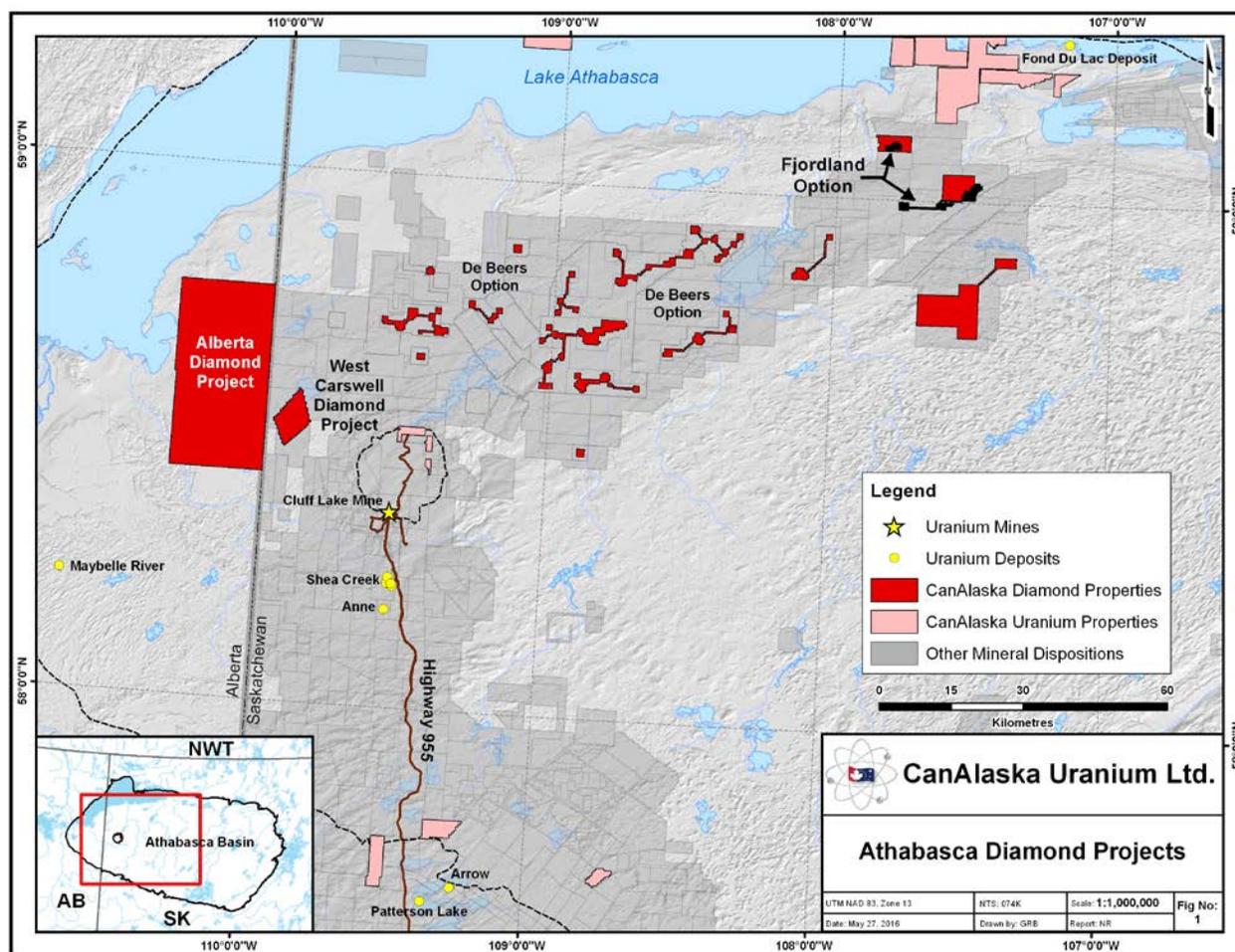


NEWS RELEASE

CanAlaska Options Additional Claims for Diamond Exploration in the Northwestern Athabasca

Holds Two Large Diamond Projects North of Kimberlite Indicator Minerals Discovered in Alberta

Vancouver, Canada, May 27, 2016 – CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)), is pleased to report that it has optioned two claim groups for diamond exploration to Fjordland Exploration Inc. (TSX-V: [FEX](#)). The two claims comprising 449 hectares and 2045 hectares respectively, were recently staked by the Company, and are located east of the claims CanAlaska optioned to **De Beers Canada Inc.** in the Northwestern Athabasca Basin, Saskatchewan (see [May 18, 2016 news release](#)). The option deals with De Beers and Fjordland collectively comprise eighty-four (84) kimberlite-style targets.

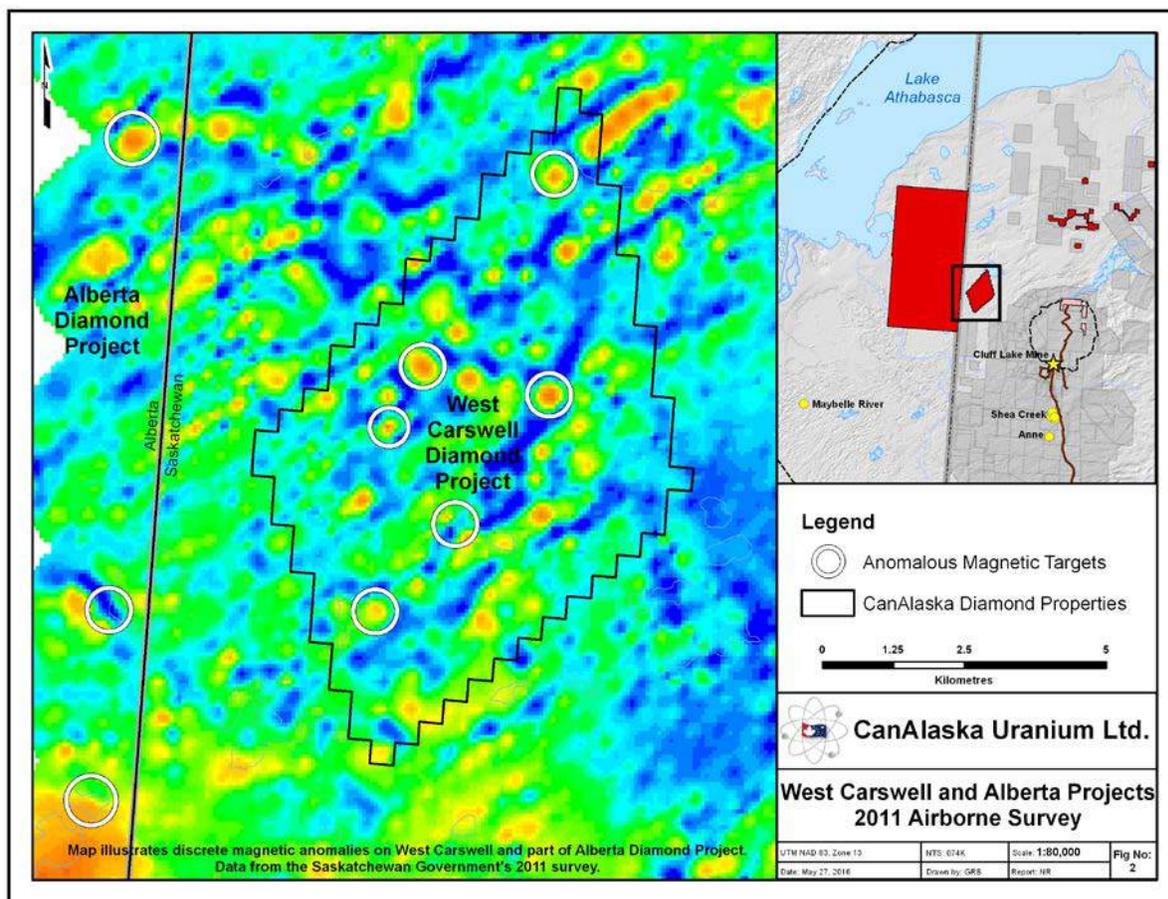


The claims optioned to Fjordland cover anomalous magnetic response targets identified on the Saskatchewan's Governments airborne magnetics survey completed in 2011. Claim MC00004307 has two prominent magnetic targets. Claim MC00004306 has seven prominent targets.

For a 100% interest in the claims, CanAlaska will receive a cash payment of \$50,000 of which \$5,000 has been received, and the balance payable on the anniversary date of the Agreement. Fjordland will also issue to CanAlaska 4 million shares on TSX Venture Exchange approval. CanAlaska reserves a 4% Gross Overriding Royalty ("GOR") for diamonds and a 2% Net Smelter Returns Royalty ("NSR") for other minerals. Fjordland has the priority right to purchase up to a 2% GOR for \$500,000 for each 0.5% GOR thereby reducing CanAlaska's GOR to 2%. Aggregate work commitments are \$100,000 by December 31, 2017; not less than 40% of expenditures shall qualify as allowable assessment work. The terms of the Agreement are subject to approval of the TSX Venture Exchange.

West Carswell and Alberta 100% Owned Diamond Projects

In addition to the properties optioned to De Beers and Fjordland, the Company holds the West Carswell and Alberta Diamond projects. These two large properties, comprising over 200,000 acres, are immediately northeast of a group of kimberlite indicator minerals (KIM) discovered in the McKay –



McMurray Field in Alberta. The KIM's are down-ice from CanAlaska's properties; their source has yet to be discovered.

West Carswell Project

CanAlaska's diamond-shaped West Carswell project is located approximately 10 km west of the Cluff Lake uranium mine, and encompasses 6 discrete line magnetic anomalies derived from the 2011 Saskatchewan geological survey.

These six targets exhibit discrete magnetic lows and are characteristic of magnetic features intruding the thick sequence of Athabasca sandstone lying above the southern portion of the Rae craton.

Alberta Diamond Project

CanAlaska holds an additional 184,320 acres (73,728 ha) of mineral claims in neighbouring Alberta where wide-spaced airborne magnetic surveys have been completed. These surveys show circular magnetic anomalies similar to those recognized from the Saskatchewan survey data.

Of special interest are at least two kimberlite style anomalies within the Alberta project in an area where the Saskatchewan and Alberta surveys overlap as shown on figure 2. The confirmation of these two targets and the recognition of anomalous features from the earlier wide-spaced Alberta survey data, indicates that the clusters of kimberlite-style features noted in Saskatchewan may continue into Alberta.

Discussions are underway with parties who may be able to assist the Company to further develop these targets.

For more information about CanAlaska's Athabasca kimberlite project visit <http://www.canalaska.com/s/AthabascaKimberliteProject.asp?ReportID=740492>

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, Denison, KORES, KEPCO, and the De Beers Group of Companies, 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.

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

On behalf of the Board of Directors

“Peter Dasler”

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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.