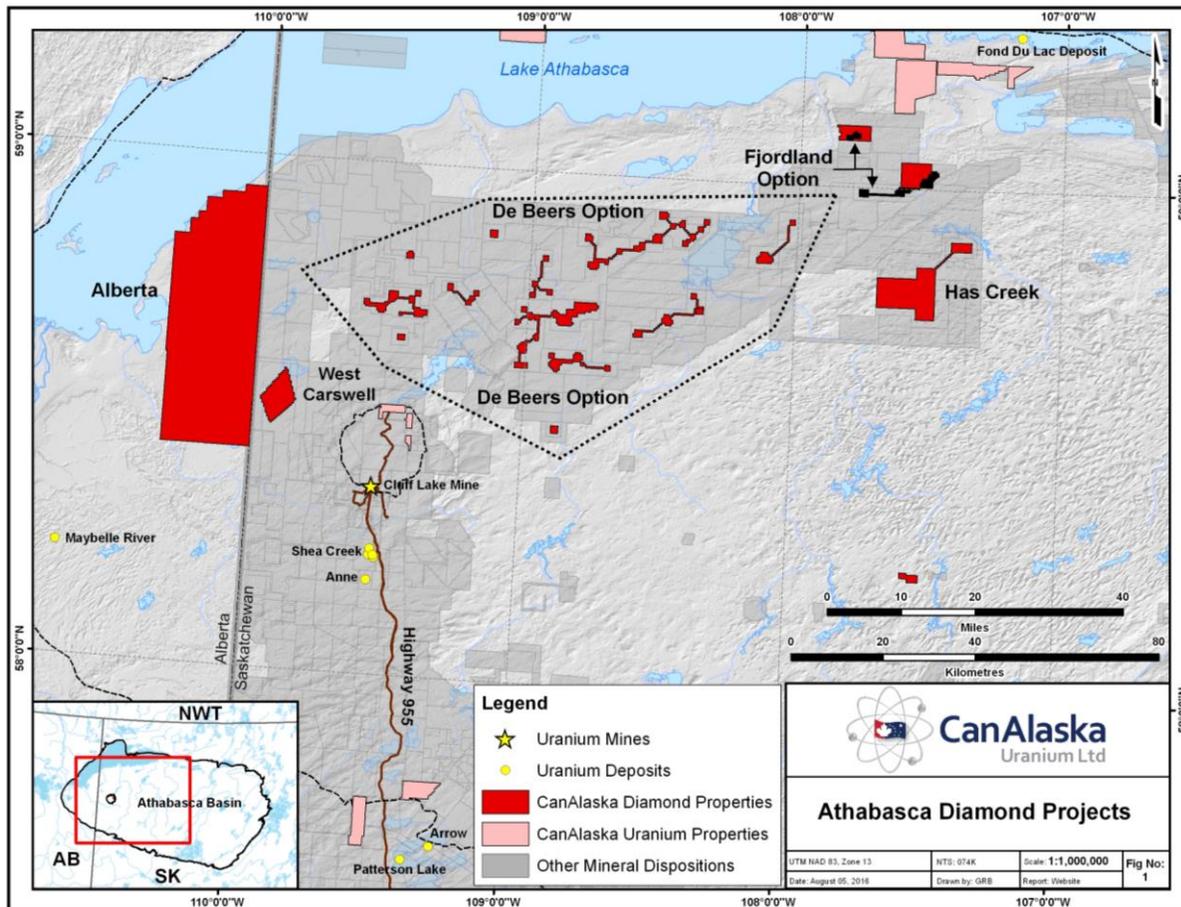


NEWS RELEASE

CanAlaska Options West Carswell Diamond Property to Canterra Minerals

West Carswell Located 20 Kilometres Southwest of De Beers – CanAlaska Athabasca Diamond Project

Vancouver, Canada, August 17, 2016 – CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)), (“CanAlaska” or the “Company”) is pleased to report that it has signed a property option agreement with Canterra Minerals Corporation (TSX-V: [CTM](#)) (“Canterra”) for Canterra to acquire up to a 70% interest in the West Carswell property (the “Property”) located in the western Athabasca Basin, Saskatchewan.



The West Carswell property comprises approximately 4,800 hectares within the west Athabasca Kimberlite trend and is located 10 km northwest of the Cluff Lake Uranium Mine in the Athabasca Basin. The Property encompasses six discrete magnetic anomalies derived from a survey flown in 2010 for the Saskatchewan Geological Survey. These six targets exhibit discrete

magnetic lows and are characteristic of magnetic features, thought to be kimberlite pipes, intruding into the thick Athabasca sandstone sequence. A high resolution airborne magnetics survey encompassing 1,770 line km has been commissioned for the property by Canterra.

Randy Turner, President and CEO of Canterra stated, "We are excited to be working with CanAlaska. CanAlaska has been innovative in their approach to diamond exploration and identified many new targets within northwestern Saskatchewan, a region we believe has the potential to host a new Canadian kimberlite field."

Peter Dasler, President and CEO of CanAlaska stated, "We are very pleased to be working with Canterra, and to be able to use their considerable expertise in diamonds. This is a very interesting group of magnetic targets close to existing infrastructure."

Pursuant to the agreement, Canterra can acquire a 50% interest in the Property by making staged cash payments totaling \$100,000 (\$30,000 upon closing), the issuance of 2,000,000 million shares upon closing and work commitments of \$1,000,000 by the third anniversary of the closing. Upon completion of the 50% earn-in, Canterra and CanAlaska will form a Joint Venture with each party maintaining a 50% ownership. Canterra will have the option to acquire an additional 20% ownership for additional cash payment of \$100,000, an additional issuance of 1,000,000 shares and incurring a further \$4,000,000 within the third anniversary of completion of the initial 50% earn-in. The transaction is subject to approval of the TSX.V.

About Canterra

Canterra Minerals is a Canadian resource company specializing in diamond exploration in the Northwest Territories, strategically located between the Snap Lake Diamond Mine and the Gahcho Kué Diamond Project. The company also maintains a 33% interest in the Buffalo Hills Diamond Project in Alberta. As leaders of exploration in the junior diamond sector for over 25 years, the Canterra team has been involved in the discovery of two of Canada's four diamond mines, the Snap Lake Diamond Mine in the South Slave and the Ekati Diamond Mine in Lac de Gras. Location maps can be found on the Company's website www.canterraminerals.com.

About CanAlaska

CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)) holds interests in approximately 500,000 hectares (1.2 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. 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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Forward-looking information

All statements included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements involve numerous assumptions made by the Company based on its experience, perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. In addition, these statements involve substantial known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will prove inaccurate, certain of which are beyond the Company's control. Readers should not place undue reliance on forward-looking statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after the date hereof or revise them to reflect the occurrence of future unanticipated events.