

NEWS RELEASE

Drill Program Underway on CanAlaska's West Athabasca Diamond Project

Eleven Kimberlite Targets to be Tested

Vancouver, Canada, September 9, 2016 – CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)), (“CanAlaska” or the “Company”) is pleased to report that De Beers Exploration has commenced its drill program at the Company's West Athabasca Diamond Project (“the Project”). Eleven kimberlite targets with various features are scheduled to be drilled in this current program, with the balance to be tested this winter, results dependent. Detailed low level airborne survey has identified 85 magnetic anomalies, enclosing 258 discrete magnetic targets.

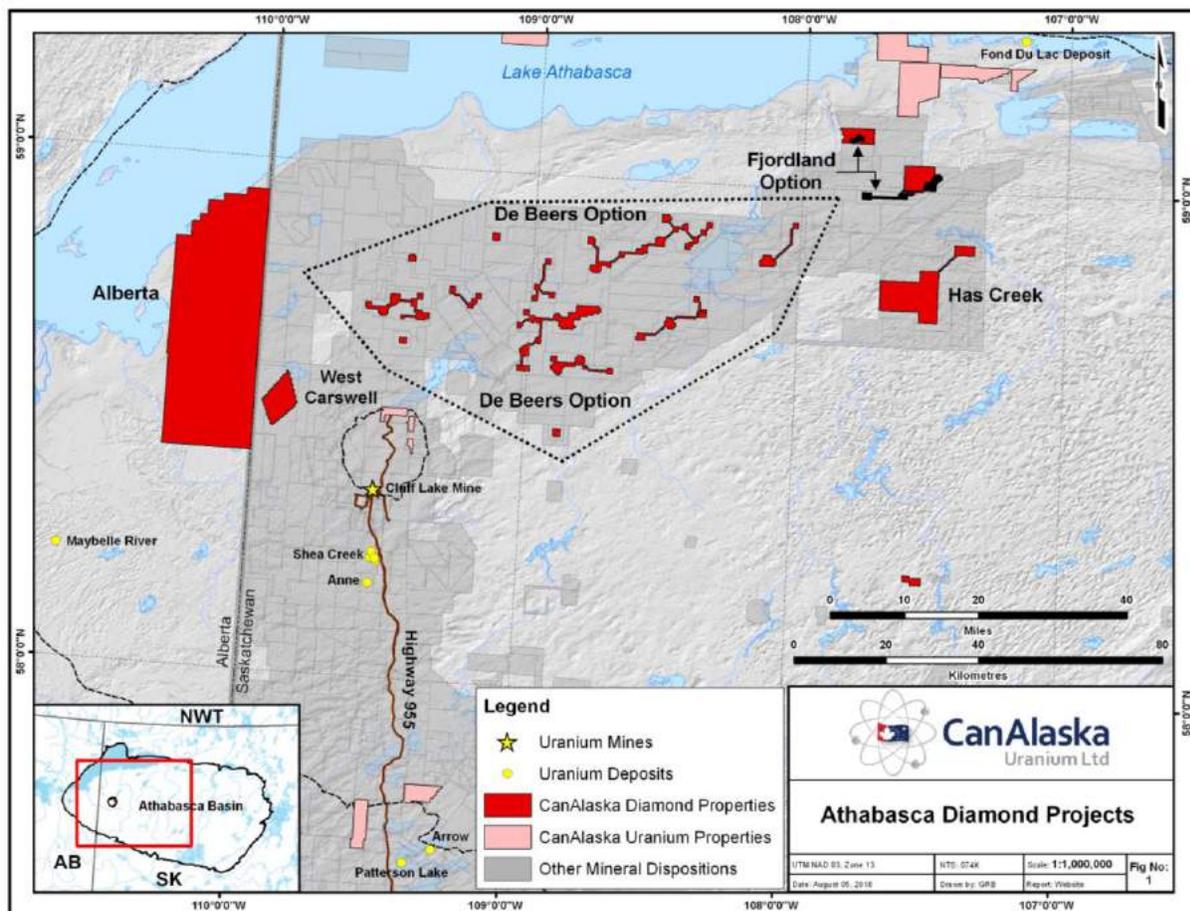


Figure 1 shows location of properties

Largest Target is 18 Hectares

A number of magnetic anomalies from the detailed low level airborne survey data have been modelled. They coalesce to form linear to circular near-surface targets, some of which show coincident electromagnetic response, from earlier survey data. There are several targets in excess of 500 metres diameter, however most of the larger targets in the survey area are below lakes or swamps and can only be drilled after winter freeze-up. Eleven circular and linear targets with various geophysical responses are accessible and have been chosen for drill testing through September and October.

The first holes at smaller near-surface targets, X0031 and X0017, located at the extreme west of the Project, were completed over the past weekend and recently reported to the Company. Overburden was 22 to 36 metres, both did not intersect kimberlite and these anomalies could be explained by a slight enrichment of magnetic materials near the base of the overburden. Drilling is continuing and will focus on a variety of targets through the central and eastern portion of the Project, with a second drill rig due to arrive on site in the next few days.

The airborne survey completed recently provided significantly better definition of anomaly outlines and identified the presence of various lobes in the case of complex anomalies, as shown in Figure 2.

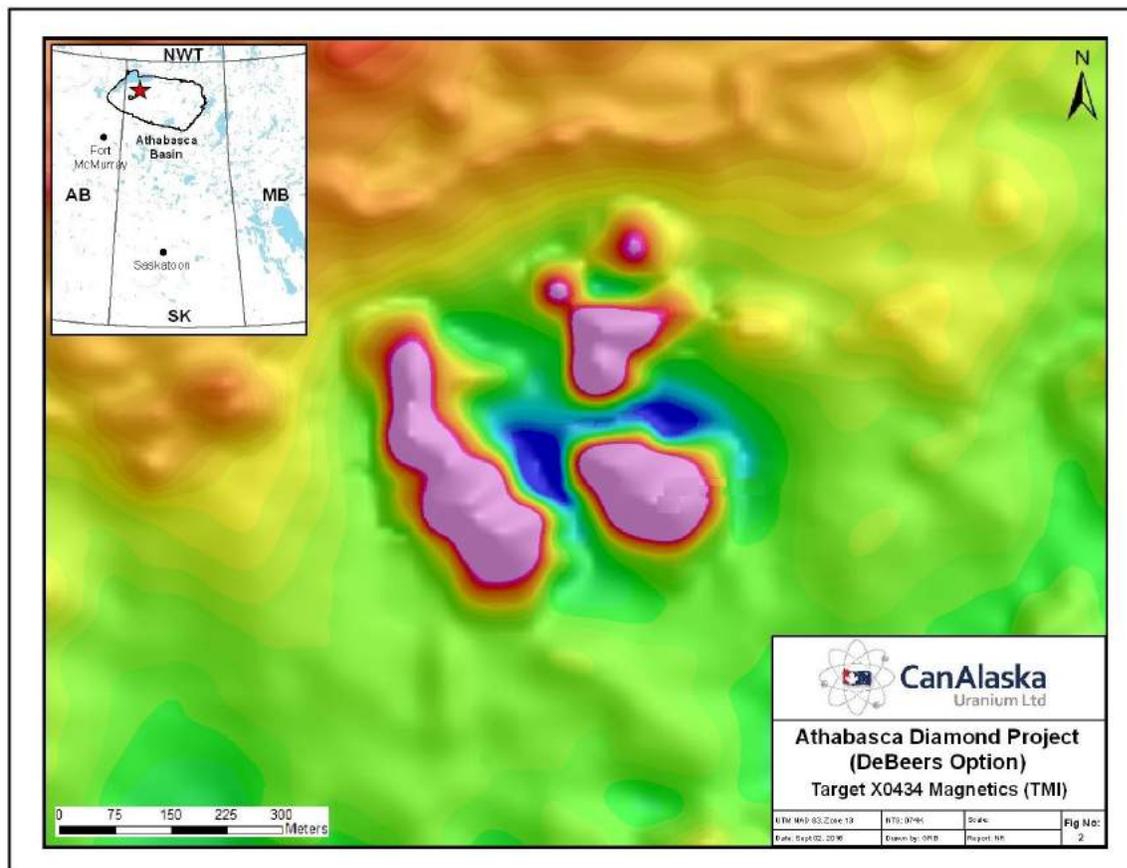


Figure 2 showing magnetic survey image of target X0434, one of the larger clusters

The drill program operates out of a 20 person camp located at Carswell Lake, and will continue into mid-October to test a selection of the accessible land targets. Drilling of the remaining targets, which are located under lakes, is planned for winter 2017. All drillcore will be shipped to De Beers' facilities for detailed logging, sampling, and mineral processing.

CanAlaska President Peter Dasler commented, "The size, shapes and clustering of the magnetic and electromagnetic features make the targets compelling as kimberlite intrusions. In addition to the sharp definition of the targets as defined by De Beers' survey, we're impressed by the large number of targets, and look forward to the progressive testing of the various sites."

About the West Athabasca Diamond Project

CanAlaska and De Beers are exploring the West Athabasca Project for diamonds under a staged \$20.4 million Option-Participation Agreement. The project area covers 85 kimberlite-style targets staked by CanAlaska in the northwestern Athabasca Basin of Saskatchewan. De Beers may earn an interest in the Project through a series of escalating exploration programs. For more information about the West Athabasca Diamond Project visit

<http://www.canalaska.com/s/AthabascaDiamondProject.asp?ReportID=740492>

About De Beers

De Beers is a member of the Anglo American Group. Established in 1888, De Beers is the world's leading diamond company with expertise in exploration and development, mining, and marketing of diamonds. Together with its joint venture partners, De Beers employs more than 20,000 people (directly and as contractors) across the diamond pipeline, and is the world's largest diamond producer by value, with mining operations in Botswana, Canada, Namibia and South Africa. As part of the company's operating philosophy, the people of De Beers are committed to *Living up to Diamonds* by making a lasting contribution to the communities in which they live and work, and transforming natural resources into shared national wealth. For further information about the De Beers Group of Companies visit www.debeersgroup.com.

About CanAlaska Uranium

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

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