

CanAlaska Uranium Ltd. (TSX:CVV)

New Mineralization Intersected at 42 Zone; Project Interest Increased

Exploration Update

December 17, 2021

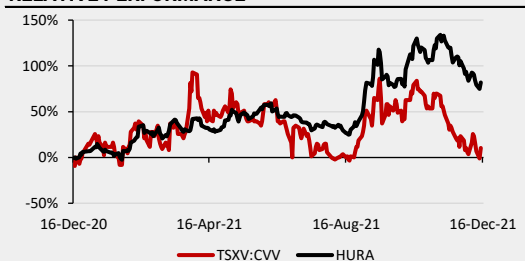
(Currency is C\$ unless noted otherwise)

Closing Price (C\$/sh)	\$0.49	
Rating	BUY (S)	
Target (C\$/sh)	NA	
Return to Target	NA	
52 Week Low / High (C\$/sh)	\$0.37 / \$0.84	
CAPITALIZATION	Basic	Diluted
Shares Outstanding (M)	97.8	145.3
Market Capitalization (C\$M)	\$47.4	
Enterprise Value (C\$M)	\$30.2	
Cash and Cash Equivalents (C\$M)	\$17.2	
Total Debt (C\$M)	\$0.0	

STOCK CHART



RELATIVE PERFORMANCE



Relative Valuation	EV (C\$M)
CanAlaska Uranium Ltd.	\$30.2
Peers*	\$104.9

*S&P Capital IQ

MAJOR SHAREHOLDERS

Management (3.88%), MM Asset Management Inc (5.21%), Exchange Traded Concepts, LLC (4.58%)

DISCLOSURE CODE: 3,4

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, S&P Capital IQ

Company Description

CanAlaska Uranium Ltd. is a project generator that holds interests in approximately 214,000 ha of prospective ground within Canada's Athabasca Basin and Wollaston regions. The company's strategic holdings have attracted interest from major mining companies, and it is currently working with Cameco and Denison Mines at two of its uranium projects in the eastern Athabasca Basin. The company also holds properties prospective for nickel, copper, gold and diamonds.

Impact: Very Positive

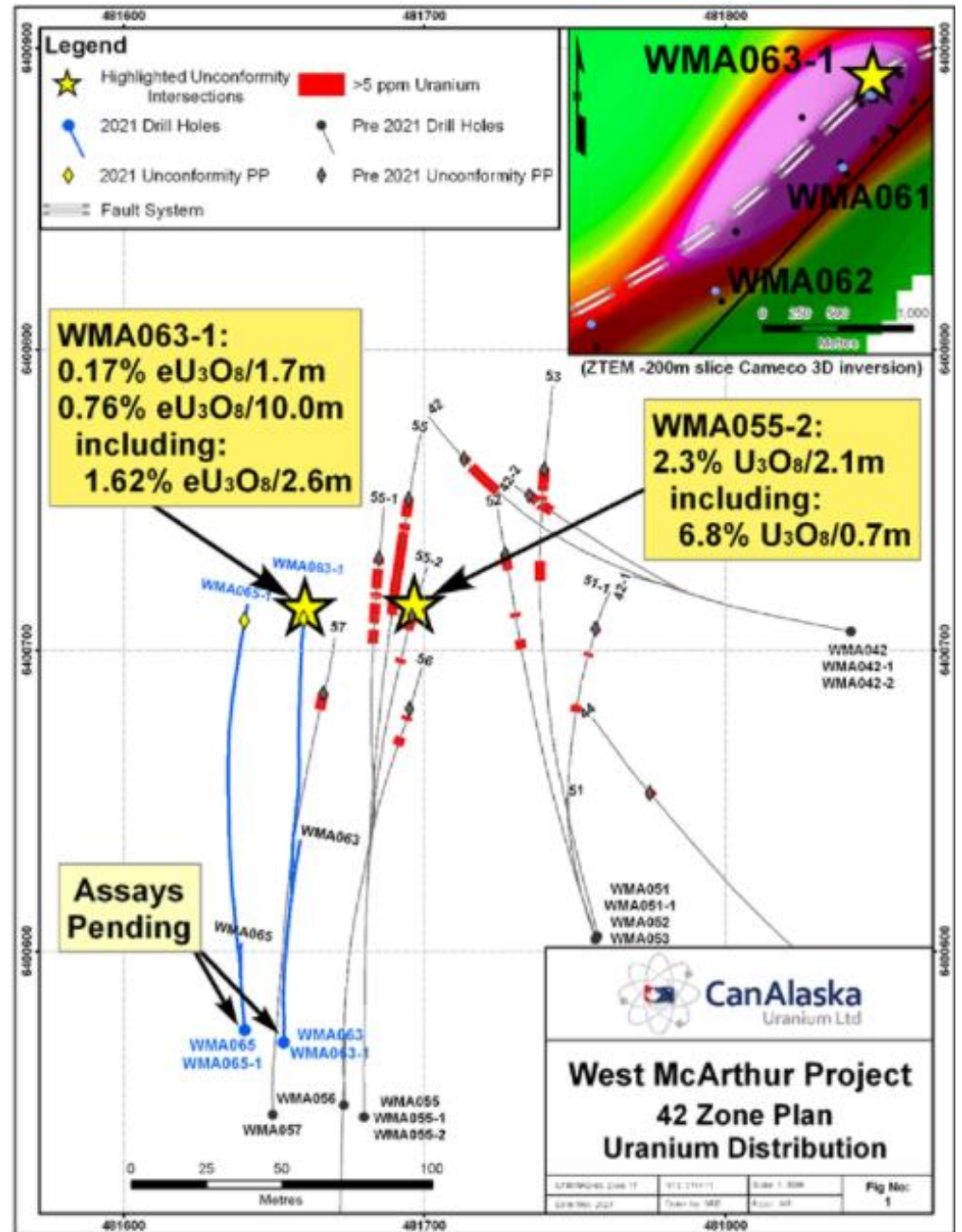
CanAlaska announced the completion of a six hole (5,419m), 2021 drill program at its West McArthur JV uranium project in the eastern Athabasca Basin. Objectives of the program completed in November were met, which included 1) extending the high-grade "42 Zone" mineralization, and 2) evaluating the southwestern extension of the 42 Zone controlling structure along the C10 conductive corridor. Based on positive results from the program, a \$5M exploration program in 2022 has been approved, doubling the 2021 budget. We note that the program was funded by CanAlaska, the project operator, and as a result has increased its majority interest in West McArthur to 75.55%. **In our view, 42 Zone is starting to be defined along this highly prospective trend that includes the high-grade Fox zone (69M lb at 7.99% U3O8) on the adjacent Cameco (TSX:CCO, Not Rated) project. The zone itself is demonstrating scale with intercepts over 80m in width, and now interesting alteration and structures along trend. The drawback is that mineralization is deep, which means exploration tends to be slow and expensive. However, more work is warranted to help define scale and make further potential discoveries.**

- **Two zones of mineralization above the unconformity at 42 zone (Figures 1 – 3).** Strong alteration was found within 1) the at least 80m-wide basement structure and 2) overlying sandstone along a radioactive fault. The zones are associated with bleached sandstone, pyrite, hydrothermal hematite and clay alteration. However, due to the strong alternation and faulting, very poor core recovery was experienced, thus calibrated probe values were provided. CanAlaska reported results grading 0.17% eU3O8 over 1.7m from a 760.9m depth and 0.76% eU3O8 over 10.0m, including 1.62% eU3O8 over 2.6m from a 767m depth (WMA063-1). This intersection successfully extended the 42 Zone by 35m west of the previous high-grade hole (WMA055-2). Notably, previous drilling in this area hit 6.8% U3O8 over 0.7m, associated with a large 650m x 400m alteration halo. Management is encouraged by these results as there more evidence of continuity in the high-grade core, much like found at the Fox Lake discovery.
- **Exploration successful along SW extension of conductive corridor,** which hosts the 42 Zone. Two drill fences were located 700m and 1,800m to the SW that evaluated the fault system. CVV has opened a new exploration front as part of the zone, and we believe it deserves follow-up work to continue searching for 42 zone-style mineralization.
- **Geochemical assays pending.** CanAlaska is currently awaiting assay and spectral information, expected to help evaluate the associated metals and alteration with this major structure to the SW.

Valuation:

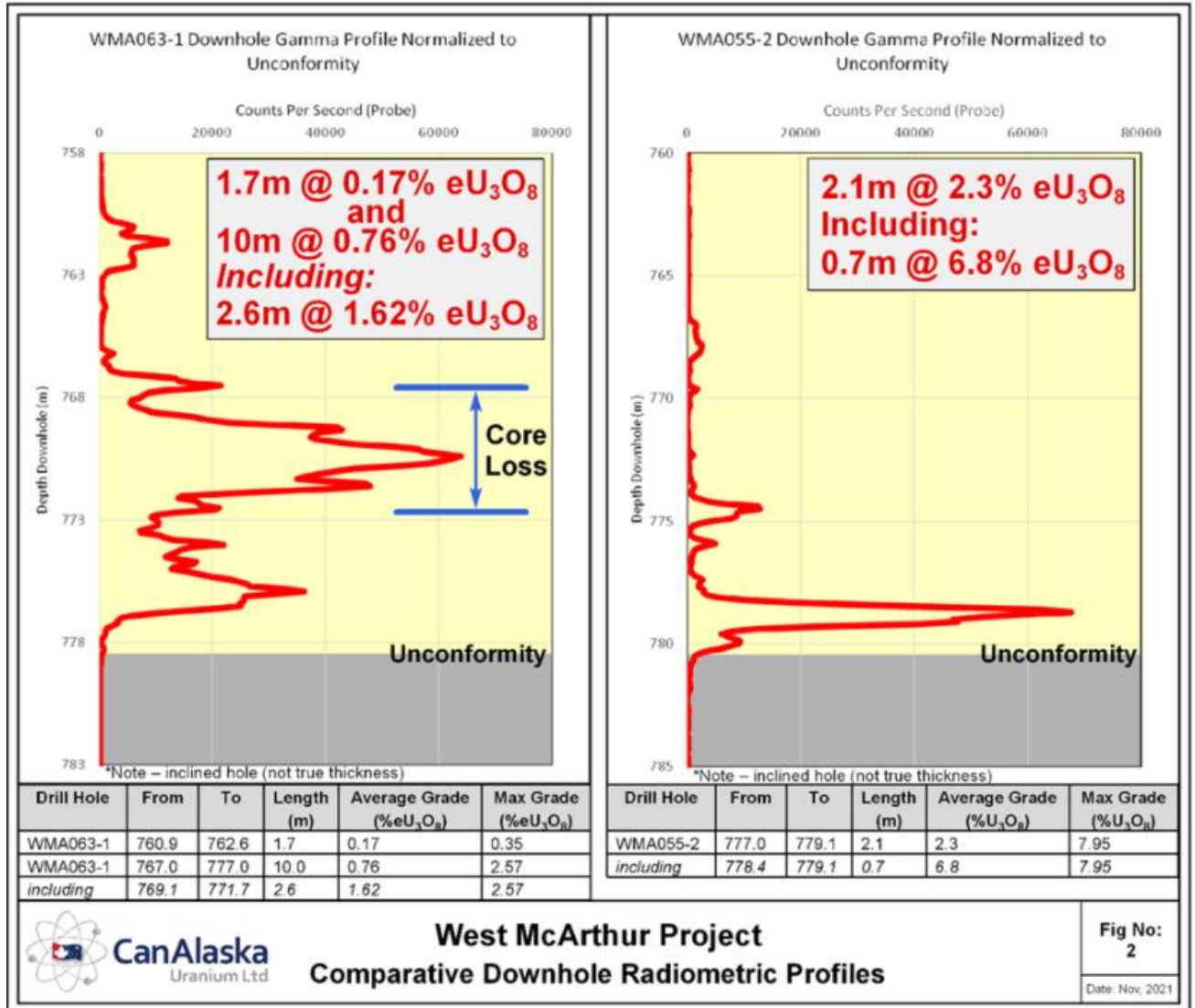
We maintain our BUY (S) rating and no target price. We believe ongoing exploration success could continue to attract interest from investors and other explorers seeking uranium projects. **Upcoming Catalysts:** 1) Assays from West McArthur, 2) Ni drilling in Thompson (near-term), 3) Moon JV drill results (ongoing), and 4) Potential M&A activity.

Figure 1: Map of drilling at the two mineralized systems



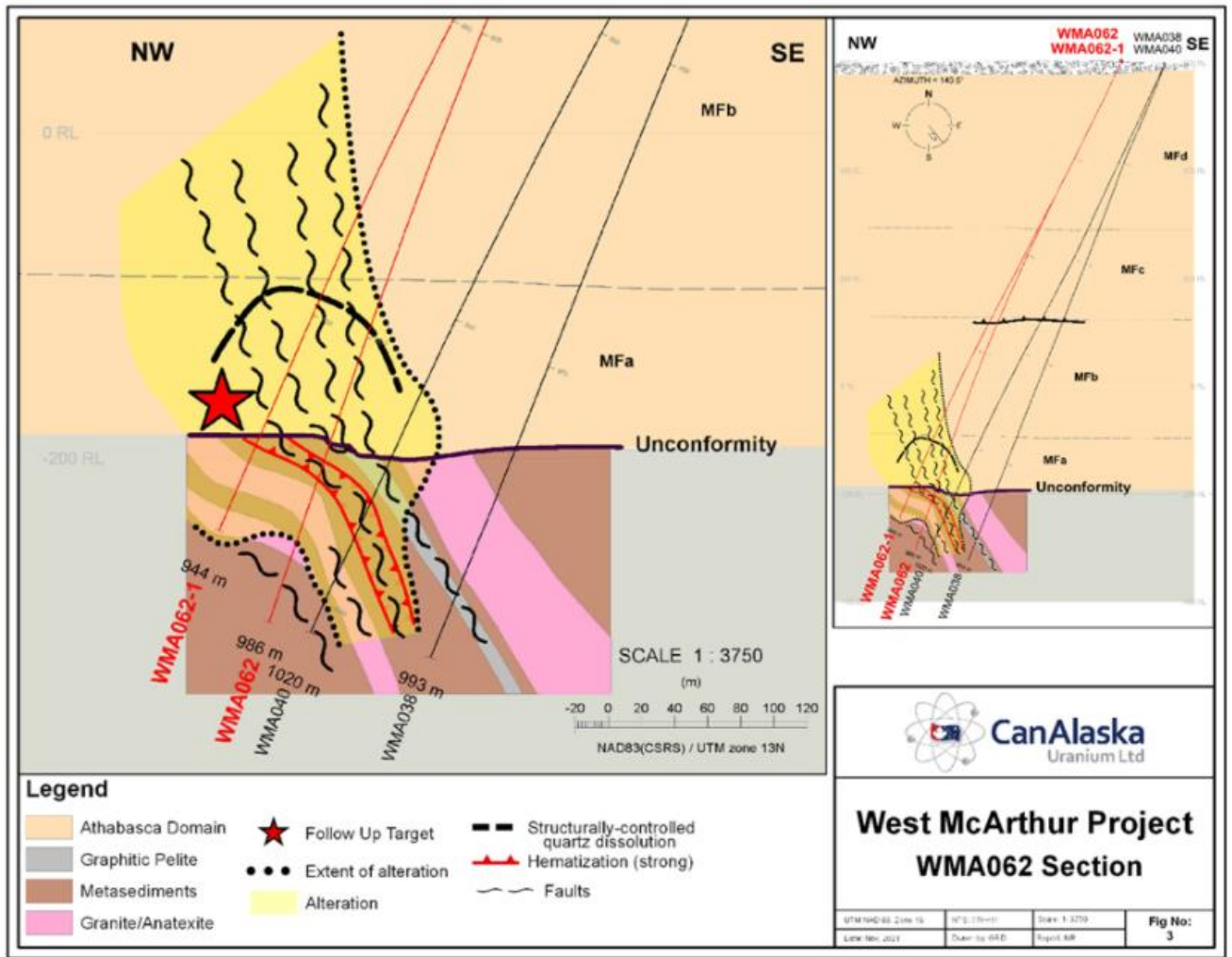
Source: Company Reports

Figure 2: Comparative downhole radiometric profiles from WMA063-1 and WMA055-2



Source: Company Reports

Figure 3: Sandstone and basement alteration associated with a wide structure zone 1,800m to the southwest of the 42 zone



Source: Company Reports

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Disclosure Statement
 Updated December 16, 2021

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2021-05-13	BUY (S)	NA	BUY (S)	22%
2021-05-14	BUY (S)	NA	HOLD	0%
2021-06-18	BUY (S)	NA	SELL / Tender	0%
2021-10-01	BUY (S)	NA	NA	3%
2021-10-13	BUY (S)	NA	Under Review	1%
2021-10-21	BUY (S)	NA		
2021-11-23	BUY (S)	NA		
2021-12-03	BUY (S)	NA		

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Company Name	Ticker Symbol	Disclosures
CanAlaska Uranium Ltd.	TSXV:CVV	3,4

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