

# CanAlaska

Ventures Ltd.



TSX Venture: C V V  
OTCBB: C V V L F



## URANIUM GROUP UPDATE

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## URANIUM UPDATE - January 20, 2005



Dear Shareholders,

Our President and Chief Executive Officer, Mr. Peter Dasler is in New Zealand consulting with the financial sector and government authorities to determine the best course of action for CanAlaska's gold properties in that region. These assets were the Company's principal assets until we began our move to the Athabasca Basin last year. Mr. Dasler's work is part of our strategic move to concentrate our focus on uranium exploration.

Since September 2004 our Company has assembled a significant land position and a competent and proven technical team. There has been a considerable amount of research done in the past on the prospective ground that our Company has acquired and assessment reports are being compiled and the data will be available over the next few months. Most of this exploration dates back to the 70's and 80's and has followed the classical graphite conductor model. We are considering other targets as well, in the Basin and in the basement.

Specifically our strategy will follow a three-pronged approach:

- In the East of the Basin we will explore for deposits at, and below, the unconformity, similar to Cigar Lake and McArthur River, but also like the Millenium deposit, which is deeper in the basement.
- In the West of the Basin we will explore an area that has seen very little or no exploration, but has the right geological environment to produce large unconformity uranium deposits
- In the East we will explore for shear-hosted deposits similar to Eagle Point and other basement hosted unconformity-style deposits, in an area where many uranium showings were found in the late 70's, but with little subsequent exploration.

In all three areas airborne and ground geophysics will be combined with summer prospecting and geochemistry to define the best targets for drilling to start in the winter 2005-2006. We have made a significant commitment to "Megatam" surveys that will be conducted by Fugro Airborne Surveys. These aerial surveys will be able to examine to depths of as much as 1,000 metres versus the historic capabilities of about 200 metres in the late 1970s.

Armed with a solid treasury and considerable prospective targets we believe that our research will attract attention from both junior exploration and producers companies.

We are also examining acquisitions in the United States and this effort is being led by Mr. Jack Moore who brings some thirty-five (35) years of experience with Union Carbide.

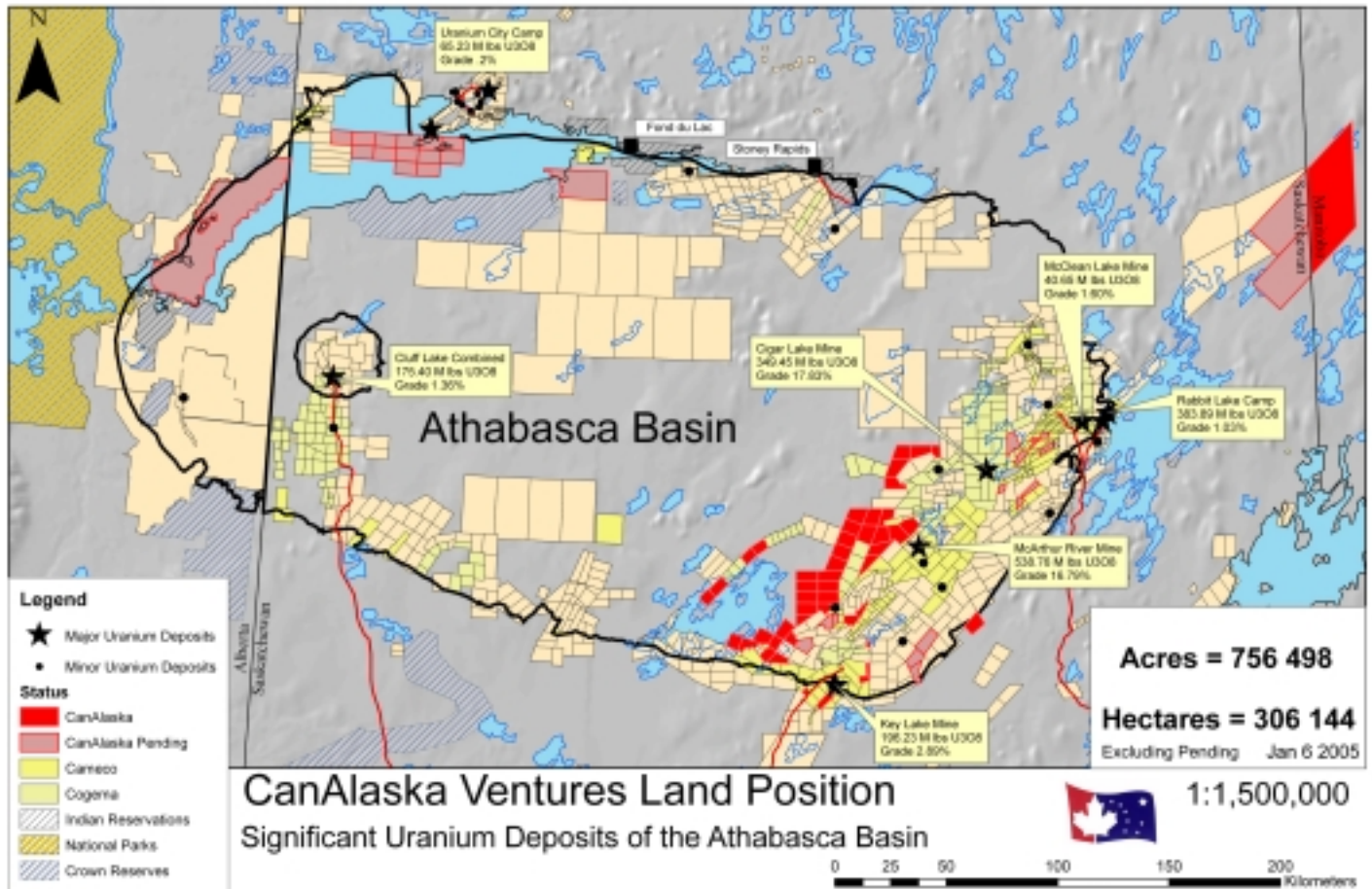
The map on the page opposite depicts our land position in mid January 2005, including claims that have been recorded and land for which approval is pending. Seldom does an opportunity present itself where the market demand and supply parameters coupled with technological improvements allow for research on such a considerable scale in the areas already proven to have some of the world's most promising uranium deposits. Our geological team is well equipped to take best advantage of these opportunities and we look forward to reporting on our progress over the next few months.

Yours truly,

A handwritten signature in black ink, appearing to be "K. Schimann". The signature is stylized and written over a light-colored background.

Dr. Karl Schimann, P.Geo  
Manager, Uranium Exploration

*"We are well on our way to achieving our objective, which is simply to control one of the largest uranium exploration portfolios in the Athabasca Basin" - Harry Barr, Chairman of CanAlaska*



**Dr. Karl Schimann, P. Geo.**, Manager, Uranium Exploration. Dr. Schimann holds a Ph.D. from the University of Alberta and has worked extensively in the Uranium industry. Dr. Schimann worked for 20 years with COGEMA, commencing in 1977, both in Uranium and gold exploration.

**Profile:** More than 10 years of his employment was directly involved in Uranium exploration and mine geology in the Athabasca Basin, in particular Dr. Schimann was the Project Manager at the Cigar Lake Uranium Mine, from discovery and throughout the exploration phase. He was also the Senior Mine Geologist, responsible for the Geological Control Department at the McClean Lake Uranium Mine. Dr. Schimann was COGEMA's District Geologist for the Canadian Cordillera and Head of COGEMA's Saudi Arabia exploration office.

Dr. Schimann brings extensive geological and mine evaluation skills to the Company, which will further complement CanAlaska's existing exploration team. CanAlaska's Chairman, Harry Barr notes "Dr. Schimann's wealth of experience in Uranium exploration will be invaluable to the Company as it positions itself as one of the larger exploration landholders in the eastern Athabasca basin of Saskatchewan".

**Mr. Jim Kermeen, P.Eng.**, Manager of Joint Venture Development. Mr. Kermeen brings some 45 years experience in mineral exploration, and 17 years of direct uranium exploration in the Athabasca basin and surrounding areas. Mr. Kermeen's experience of the mineral industry coupled with his past direct exploration knowledge of the Athabasca area is expected to be of great assistance to the Company.

## Uranium Management Team

**Harry Barr, Chairman**

**Peter Dasler, P.Geo**  
**President and CEO**

**Dr. Karl Schimann, P. Geo**

- Exploration Manager – Uranium

**Mr. Jim Kermeen, P.Eng.**

- Manager of Joint Venture Development

**John Royall, P.Eng.**

**Ralph Newson, P. Geo.**

**Jack C. Moore, P.E.** (Professional Engineer)

**Bill T. Cohan, P.E.** (Professional Engineer)

**Geoffrey Price, MAusIMM, MAIG**

**Randy and Duane Studer**

Geotechnical Consultants based in  
La Ronge Saskatchewan

## Uranium

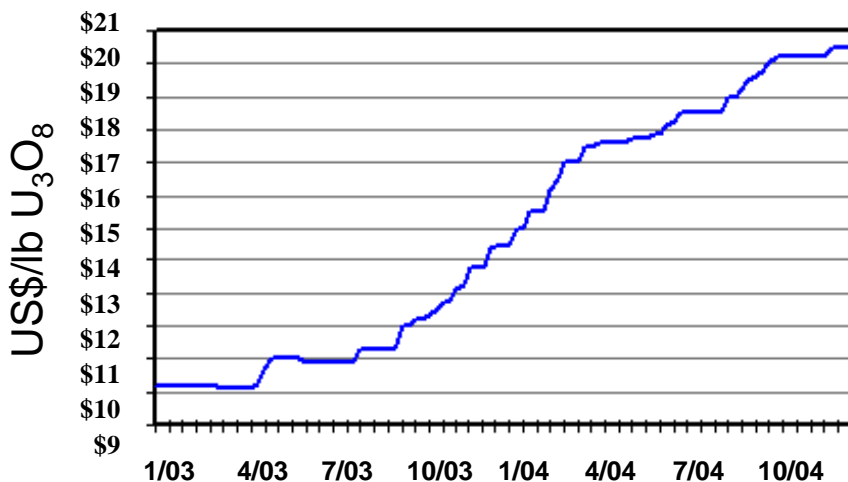
- Uranium price rising steadily from under \$8 per pound in late 1990s to over \$20 per pound
- Saskatchewan produces approximately one third of the world's Uranium mine output
- Demand for Uranium fuel rising relentlessly from 20 million pounds annually in 1970 to over 150 million pounds at present
- New worldwide annual production diminishing steadily from 118 million pounds in 1980 to only 77 million pounds today
- Growing recognition that Uranium-fueled, nuclear-generated electricity is a low-cost pollution-free alternative to oil, natural gas or coal based electric power plants

The Athabasca Basin is host to the largest/highest grade uranium deposits in the world. Further discoveries are expected in this camp. CanAlaska intends to acquire additional projects in this area over the coming months. Saskatchewan's Athabasca Basin, accounts for approximately 32% of the world's uranium supply and 14% of the reserves.

Nuclear power has become increasingly a popular power source among nations as a viable power alternative. Newer reactor technology, coupled with the efficiency and portability of nuclear power is making this a viable option.

With over 439 nuclear reactors active throughout the world and another 40 under construction, the supply of uranium has consistently been falling short of global demands. The ever increasing power demands from our cities and industry are straining the world's power generation systems. Greenhouse gases and the finite supply of fossil fuels, are major reasons for the quest for a cleaner source of power.

## Uranium Price



## Contact Information

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