

NEWS RELEASE

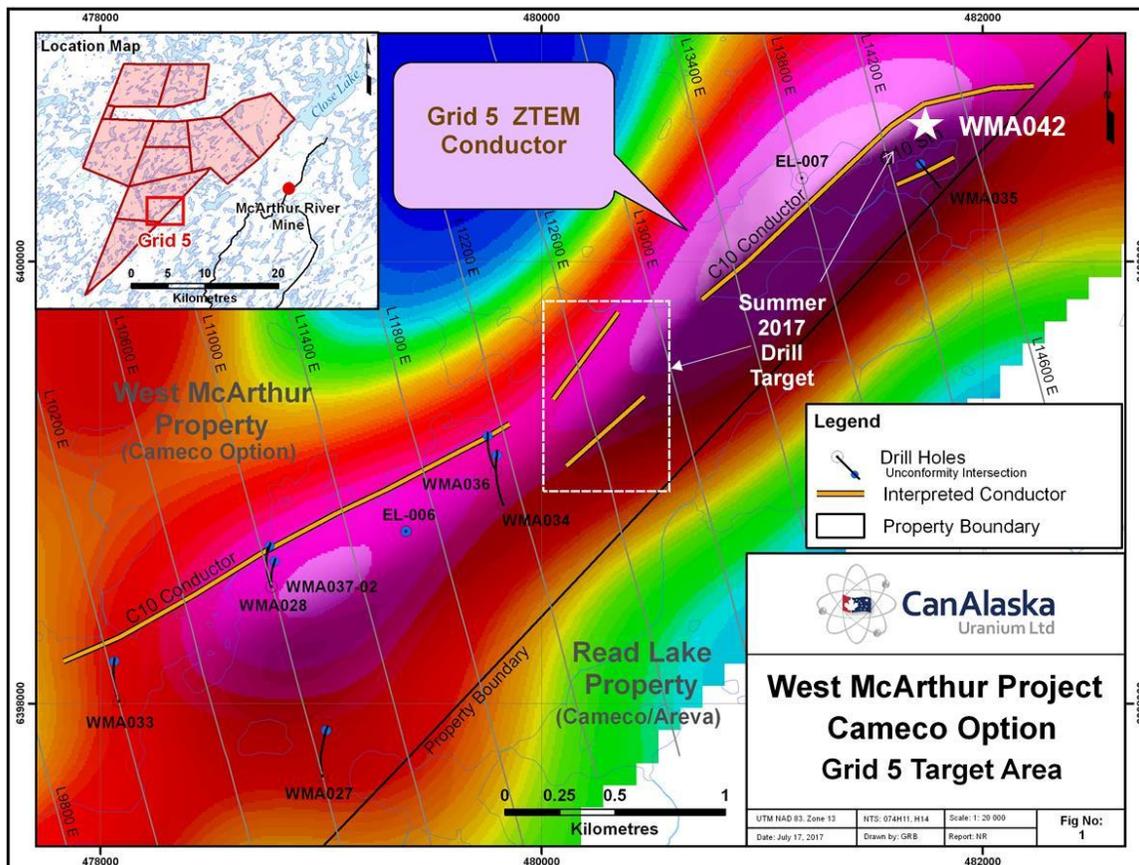
Significant Uranium Mineralization Reported at CanAlaska's West McArthur Project

Diamond drill hole WMA042 intersects 1.34% eU₃O₈ over 5.65 metres, drilling continuing

Vancouver, Canada, August 30 2017, – CanAlaska Uranium Ltd. (TSX-V: [CVV](#); OTCQB: [CVVUF](#); Frankfurt: [DH7N](#)) (“CanAlaska” or the “Company”) is pleased to report interim results from drill hole WMA042 on the West McArthur uranium project (“Project”) where testing of the C10 conductor package at Grid 5 continues. See earlier news of July 20 2017. A further drill hole is underway.

Drill hole WMA042 is located approximately 300 metres north of drill hole WMA035 completed in 2016, which is located on the east end of Grid 5. The drill program is being conducted by Cameco Corporation (TSX: [CCO](#); NYSE: [CCJ](#)).

The calculated grade of the uranium intercept, as measured by calibrated probe, is 1.34% eU₃O₈ over 5.65 metres. The uranium mineralization is disseminated in the basal sandstone



column near the unconformity and is footwall to an altered fracture zone with perched mineralization 80 metres higher in the drill hole. A wedge hole from WMA-042 is being drilled to test the optimum target location.

WMA042 was designed to test a Stepwise Moving Loop Time Domain Electromagnetic response interpreted to represent the C10 fault and stratigraphy. Below 217.1 metres, strongly bleached sandstone is intersected to 595.7 metres and hosts two brittle fault intervals from 300.8 to 309.7 metres and 448.6 to 451.4 metres. A fault zone from 522.7 to 540.6 metres is characterized by dravitic breccias and fracture coatings. Strong pervasive brick-red hematite from 697.8 to 700.2 metres transitions into patchy hematite with pervasive fracture-controlled sooty pyrite and localized perched fracture-controlled uranium mineralization to 715.6 metres. The remainder of the sandstone column is strongly bleached and overprinted by weak sooty pyrite as a halo about a brittle fault zone from 738.9 to 743.2 metres. The fault is characterized by strong quartz dissolution (25% core loss), strong sooty pyrite, and steeply dipping fractures. Pervasive sooty pyrite overprints the basal sandstone below 772.7 metres and is associated with orange-brown oxides, local fracture-controlled brick-red hematite and disseminated uranium mineralization. Equivalent U₃O₈ results are summarized in Table 1 (0.1% eU₃O₈ cut-off grade). The unconformity is intersected at 782.1 metres.

Table 1:

Hole Number	Depth From (metres)	Depth To (metres)	Length (m)	Avg Grade (% eU ₃ O ₈)	GT (m%)
WMA042	704.22	707.32	3.1	0.13	0.39
WMA042	708.77	709.97	0.2	0.13	0.03
WMA042	773.07	778.72	5.65	1.34	7.55
WMA042	781.02	782.12	1.1	0.17	0.19

Cameco is carrying out the current work as part of an option to earn a 60% interest in the West McArthur project. Cameco has paid CanAlaska an initial \$725,000 and has the right to earn a first stage 30% interest for a \$5 million exploration program within 3 years (\$1.1 million to date) on two separate target areas: Grid 1 and Grid 5. Cameco will then have the right, after a \$500,000 payment, to carry out a further \$6.275 million of work on the Project over the following 3 years to earn a further 30% interest and form a Joint Venture (JV) with CanAlaska.

The West McArthur Uranium Project covers 35,830 hectares (88,536 acres) commencing 15 kilometres (9 miles) west of Cameco's majority-owned McArthur River uranium mine. More importantly, the Project is immediately adjacent to Cameco's Fox Lake uranium discovery with reported inferred resources of approximately 68.1 million lbs based on 387,000 tonnes at 7.99% U₃O₈. The Fox lake discovery is within the Read Lake project operated by Cameco (Cameco 78.2%, Areva 21.8%). Further information on Project is available at http://www.canalaska.com/s/West_McArthur.asp?ReportID=560713.

CanAlaska president Peter Dasler comments, "I congratulate Cameco's team and their drill contractor for this significant uranium discovery on the West McArthur property. We all look forward to continuing successes."

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 have attracted major international mining companies. CanAlaska is currently working with Cameco and Denison at two of the Company's properties in the Eastern Athabasca Basin. CanAlaska is a project generator positioned for discovery success in the world's richest uranium district. For further information visit www.canalaska.com.

About Cameco Corporation

Further information on Cameco can be found at www.cameco.com.

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

On behalf of the Board of Directors

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