CanAlaska Intersects Polymetallic Mineralization at Waterbury South Uranium Project

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Unconformity zone with strong Nickel, Arsenic and Cobalt mineralization; Extensive clay alteration in basement rocks below unconformity intersection; Similarities to the nearby Cigar Lake Polymetallic Uranium Deposit

Vancouver, June 17, 2021 - CanAlaska Uranium Ltd. (TSXV: CVV) (FSE: DH7N) ("CanAlaska" or the "Company") is pleased to announce it has intersected polymetallic mineralization at the unconformity on its Waterbury South uranium project. The program was designed to test targets near previously drilled holes, which show significant alteration and uranium values, in proximity to untested geophysical targets. The program consisted of 1,347.5 metres of drilling in three drill holes.

Photo: Waterbury South Project

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CanAlaska drill holes WAT-008 and WAT-009, tested the main target near failed Cameco drill hole SOD-253 (Figure 1). Cameco's hole failed due to strongly faulted and altered sandstone above the unconformity.

CanAlaska Geologist at Waterbury South ProjectIn the new 2021 drill holes completed by CanAlaska, bleaching is present through much of the sandstone column, becoming more intense in the lower half of the sandstone as the holes neared the unconformity. In WAT-008, a pyrite-rich zone associated with a fault in the mid-sandstone column well above the unconformity contained anomalous nickel, arsenic, cobalt and zinc values. A thick graphitic unit was intersected in the lower section of the hole that provided a clear target at the unconformity for drill hole WAT-009 (Figure 1).

Table 1: Polymetallic Mineralization in WAT-009

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In WAT-009, bleaching is present over the last 100 metres of the sandstone column with an increase in sooty pyrite alteration above the unconformity, which correlates with the sooty pyrite noted in the lower 50 metres of SOD-253. A seven (7) metre long structure of broken rock with intense clay alteration and hematization occurs 20 metres below the unconformity and correlates with a fault structure in the sandstone at 138 metres depth in drill hole SOD-253. Much of the basement in WAT-009 is clay altered and chloritized indicating the presence of a large hydrothermal event (Figure 1).

Figure 1

To view an enhanced version of Figure 1, please visit:
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A 3.3 metre zone of intense clay alteration straddling the unconformity in WAT-009 contains significant polymetallic mineralization consisting of 0.5 metres with 405 ppm uranium, 2.42% nickel, 2.34% arsenic, 0.5% zinc, and 801 ppm cobalt (Table 1). This mineralization association, or fingerprint, is directly reminiscent of metal associations at the nearby Cigar Lake orebody where similar values of nickel, arsenic and cobalt are known to exist with the high-grade uranium.

CanAlaska CEO, Cory Belyk, comments, "The results we have received from this drilling program have the fingerprints of a significant Cigar Lake style mineralizing system. It is a rare event to find this level of alteration at the unconformity, extending deep within the basement, associated with the metal enrichments we have encountered in WAT-009. Several of the largest known Athabasca unconformity uranium deposits have this polymetallic signature with nickel, arsenic and cobalt. This is an incredible discovery for our shareholders and our team with only the third CanAlaska drill hole on this project."

About CanAlaska Uranium

CanAlaska Uranium Ltd. (TSXV: CVV) (FSE: DH7N) holds interests in approximately 214,000 hectares (530,000 acres), in Canada's Athabasca Basin and Wollaston area - 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. The Company also holds properties prospective for nickel, copper, gold and diamonds. For further information visit www.canalaska.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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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.

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