CanAlaska Uranium Ltd.

Condensed Interim Consolidated Financial Statements

Second Quarter - October 31, 2015

(Unaudited)

(Expressed in Canadian dollars, except where indicated)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the condensed interim consolidated financial statements required to be filed, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statements have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim consolidated financial statements by an entity's auditor.

CanAlaska Uranium Ltd.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	October 31 2015 $000's	April 30 2015 $000's
Assets		
Current assets		
Cash and cash equivalents (note 4)	1,171	1,605
Trade and other receivables	47	98
Available-for-sale securities (note 5)	366	670
Total current assets	1,584	2,373
Non-current assets		
Reclamation bonds	131	131
Property and equipment (note 6)	197	222
Mineral property interests (note 7)	648	736
Total assets	2,560	3,462
Liabilities		
Current liabilities		
Trade and other payables	108	137
Equity		
Common shares (note 8)	73,205	73,205
Equity reserve (note 8)	10,960	10,947
Investment revaluation reserve	17	(64)
Deficit	(81,730)	(80,763)
	2,452	3,325
	2,560	3,462

Going Concern (note 2)
Commitments (note 11)

Approved by the Board of Directors

"Peter Dasler" — Director

"Jean Luc Roy" — Director

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

CanAlaska Uranium Ltd.

Condensed Interim Consolidated Statements of Comprehensive Earnings (Loss)

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Three months ended October 31 2015 ($000's)	Three months ended October 31 2014 ($000's)	Six months ended October 31 2015 ($000's)	Six months ended October 31 2014 ($000's)
EXPLORATION COSTS				
Mineral property expenditures net of reimbursements	50	114	97	168
Mineral property write-offs (note 7)	2	15	89	65
Net option payments (note 7)	(129)	-	(209)	(1,881)
Equipment rental income	-	-	-	(4)
	(77)	129	(23)	(1,652)
OTHER EXPENSES (INCOME)				
Consulting, labour and professional fees	89	98	192	386
Depreciation and amortization (note 6)	12	16	24	32
Gain on disposal of property and equipment	-	-	(9)	-
Foreign exchange gain	-	-	(4)	-
Insurance, licenses and filing fees	20	38	41	48
Interest income	(1)	(5)	(3)	(8)
Other corporate costs	7	12	22	22
Investor relations and presentations	46	56	96	62
Rent (note 11)	2	7	9	13
Share-based payments (note 9)	-	-	13	61
Travel and accommodation	5	2	29	3
Impairment of available-for-sale securities (note 5)	560	9	584	15
Management fees	(2)	(10)	(4)	(16)
	738	223	990	618
Net earnings (loss) for the period	(661)	(352)	(967)	1,034
Other comprehensive income (loss)				
Unrealized (gain) loss on available-for-sale securities	(484)	198	(81)	328
Total comprehensive earnings (loss) for the period	(177)	(550)	(886)	706
Basic and diluted earnings (loss) per share ($ per share)	(0.03)	(0.02)	(0.04)	0.05
Basic and diluted weighted average common shares outstanding (000's)	22,068	22,068	22,068	22,068

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

CanAlaska Uranium Ltd.

Condensed Interim Consolidated Statements of Changes in Equity
For the six months ended October 31, 2015 and 2014
(Unaudited)
(Expressed in Canadian dollars except where indicated)

	Common Shares		Equity Reserve $000's	Investment Revaluation Reserve $000's	Accumulated Deficit $000's	Total Equity $000's
	Shares 000's	Amount $000's				
Balance-May 1, 2014	22,068	73,205	10,807	(24)	(81,564)	2,424
Share-based payments	-	-	61	-	-	61
Unrealized loss on available-for-sale securities	-	-	-	(328)	-	(328)
Income for the period	-	-	-	-	1,034	1,034
Balance-October 31, 2014	22,068	73,205	10,868	(352)	(80,530)	3,191
Balance-May 1, 2015	22,068	73,205	10,947	(64)	(80,763)	3,325
Share-based payments	-	-	13	-	-	13
Unrealized loss on available-for-sale securities	-	-	-	81	-	81
Loss for the period	-	-	-	-	(967)	(967)
Balance-October 31, 2015	22,068	73,205	10,960	17	(81,730)	2,452

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

CanAlaska Uranium Ltd.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Six months ended October 31 2015 $000's	Six months ended October 31 2014 $000's
Cash flows used in operating activities		
(Loss) income for the period	(967)	1,034
Items not affecting cash		
Gain on disposal of property and equipment	(9)	-
Depreciation and amortization (note 6)	24	32
Mineral property write-offs	89	65
Impairment of available-for-sale securities (note 5)	584	15
Recoveries on option payments received	(194)	(1,881)
Share-based payments (note 9)	13	61
	(460)	(674)
Change in non-cash operating working capital		
Decrease (increase) in trade and other receivables	51	(19)
Decrease in trade and other payables	(30)	(167)
	(439)	(860)
Cash flows from investing activities		
Additions to mineral property interests	(16)	(10)
Proceeds from sale of property and equipment	11	2
Option payments received	10	1,625
	5	1,617
(Decrease) increase in cash and cash equivalents	(434)	757
Cash and cash equivalents - beginning of period (note 4)	1,605	1,044
Cash and cash equivalents - end of period (note 4)	1,171	1,801

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

1 Nature of Operations

CanAlaska Uranium Ltd. (the "Company" or "CanAlaska") and its subsidiaries are principally engaged in the exploration of uranium properties. The Company may bring the properties to production, structures joint ventures with others, option or lease properties to third parties or sell the properties outright. The Company has not determined whether these properties contain ore reserves that are economically recoverable and the Company is considered to be in the exploration stage. From time to time, the Company evaluates new properties and directs exploration on these properties based on the Board of Director's evaluation of financial and market considerations at the time. On December 30, 2013, the Company's shares commenced trading on the TSX Venture Exchange under the symbol "CVV" and ceased trading on the Toronto Stock Exchange. The Company's shares are also quoted on the OTCQB in the United States under the symbol "CVVUF" and the Frankfurt Stock Exchange under the symbol "DH7N". In May 2015, the Company deregistered from its reporting obligations with the United States Securities and Exchange Commission (the "SEC"). The Company's registered office is located at 625 Howe Street, Suite 1020, Vancouver, British Columbia, V6C 2T6, Canada.

2 Going Concern

These condensed interim consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These condensed interim consolidated financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. Due to increasingly difficult market conditions facing junior uranium exploration companies there is no assurance that the Company will be successful in raising additional financing. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries.

At October 31, 2015, the Company had cash and cash equivalents of $1.2 million (April 30, 2015: $1.6 million) (note 4) and working capital of $1.5 million (April 30, 2015: $2.2 million). The Company has a deficit of $81.7 million at October 31, 2015. Management believes that the cash on hand is sufficient to meet corporate, administrative and selected exploration activities for at least the next twelve months. Management may either need to dilute its ownership in its properties or secure additional financing to continue to advance the development of its exploration projects. Management has taken steps to streamline non-discretionary expenditures and financial overheads and is working to option, joint venture or sell its individual exploration projects. The above factors may cast significant doubt regarding the Company's ability to continue as a going concern.

3 Basis of Consolidation and Presentation

a) Statement of Compliance

These condensed interim consolidated financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards 34 Interim Financial Reporting ("IAS 34") using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Boards ("IASB"). These condensed interim consolidated financial statements have been prepared on the basis of and using accounting policies, methods of computation and presentation consistent with those applied in the Company's April 30, 2015 consolidated annual financial statements.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on December 15, 2015.

b) Basis consolidation and preparation

These condensed interim consolidated financial statements are presented in Canadian dollars. The consolidated financial statements are prepared on the historical cost basis except for certain financial instruments that are measured on the fair value basis.

These condensed interim consolidated financial statements include the accounts of CanAlaska and its wholly-owned subsidiaries including:

- CanAlaska West McArthur Uranium Ltd., a B.C. company
- Poplar Uranium Limited., a B.C. company

Subsidiaries are entities over which the Company has the power, directly or indirectly, to govern the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible, are taken into account in the assessment of whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date on which control ceases. All inter-company transactions, balances, income and expenses have been eliminated on consolidation.

These condensed interim consolidated financial statements also include the Company's share of the jointly held assets, its jointly incurred liabilities, its share of the revenues and expenses of CanAlaska Korean Uranium Limited Partnership ("CKULP" or the "Partnership" or the "CKU Partnership") and CanAlaska Korean Uranium Limited.

4 Cash and Cash Equivalents

	October 31, 2015 $000's	April 30, 2015 $000's
CKU Partnership funds	101	117
Option-in advances	43	59
Cash in bank and other short term deposits	1,027	1,429
Total	**1,171**	**1,605**

CKU Partnership funds are held by the Company for expenditure on the properties held by the CKULP.

Option-in advances are advance cash funding by joint venture partners on various exploration properties.

Cash and cash equivalents of the Company are comprised of bank balances and short-term investments, which are convertible to cash, with an original maturity of 90 days or less as follows:

	October 31, 2015 $000's	April 30, 2015 $000's
Cash	451	455
Cash equivalents	720	1,150
Total	**1,171**	**1,605**

5 Available-for-Sale Securities

	October 31, 2015		April 30, 2015	
	Cost $000's	Market Value $000's	Cost $000's	Market Value $000's
Pacific North West Capital Corp.	4	4	6	6
Mega Uranium Ltd.	3	4	3	6
Makena Resources Inc.	75	75	79	79
Copper Reef Mining Corp.	40	40	40	30
Northern Uranium Corp.	180	180	600	525
Other available-for-sale securities	47	63	6	24
Total	**349**	**366**	**734**	**670**

The Company reviews the carrying values of its available-for-sale securities, and after considering where the decreases on fair value were significant or prolonged, the Company recognized an impairment on available-for-sale securities of $560,205 for the three months ended October 31, 2015 and $584,314 for the six months ended October 31, 2015 (three months ended October 31, 2014: $9,169 six months ended October 31, 2014: $15,243).

6 Property and Equipment

	Automotive $000's	Leasehold improvements $000's	Mining equipment $000's	Office equipment $000's	Total $000's
Cost					
At May 1, 2014	**25**	**270**	**1,022**	**455**	**1,722**
Additions	-	-	-	2	2
Disposals	-	-	(180)	(5)	(185)
At April 30, 2015	**25**	**270**	**842**	**452**	**1,589**
Disposals	(17)	-	-	-	(17)
At October 31, 2015	**8**	**270**	**842**	**452**	**1,572**
Accumulated Depreciation and Amortization					
At May 1, 2014	**(20)**	**(145)**	**(922)**	**(391)**	**(1,478)**
Depreciation and amortization	(1)	(19)	(28)	(14)	(62)
Disposals	-	-	168	5	173
At April 30, 2015	**(21)**	**(164)**	**(782)**	**(400)**	**(1,367)**
Depreciation and amortization	(1)	(9)	(9)	(5)	(24)
Disposals	16	-	-	-	16
At October 31, 2015	**(6)**	**(173)**	**(791)**	**(405)**	**(1,375)**
Carrying Value					
At April 30, 2015	4	106	60	52	222
At October 31, 2015	**2**	**97**	**51**	**47**	**197**

7 Mineral Property Interests

The Company holds approximately 645,000 hectares of mining claims in the Athabasca Basin located across the provinces of Saskatchewan and Manitoba in Canada. The holdings are comprised of 19 projects which are in various stages of exploration and discovery.

The Company also holds mining claims in British Columbia.

Details of acquisition costs and mineral property impairments for the twelve and six months ended April 30, 2015 and October 31, 2015 are as follows:

Project ($000's)	May 1, 2014	Additions/ write-offs/ recoveries	April 31, 2015	Additions/ write-offs/ recoveries	October 31, 2015
Athabasca Basin					
Cree East (a)	-	-	-	-	-
West McArthur (b)	65	-	65	-	65
Fond du Lac	120	-	120	-	120
Grease River (c)	76	(28)	48	(17)	31
Key Lake	24	-	24	-	24
NW Manitoba (d)	8	(8)	-	-	-
Poplar (e)	131	(11)	120	(33)	87
Helmer (f)	107	(9)	98	(8)	90
Lake Athabasca (g)	98	(7)	91	(24)	67
Hodgson (h)	7	-	7	3	10
Collins Bay (i)	-	-	-	-	-
McTavish	74	-	74	-	74
Carswell	-	2	2	-	2
Ruttan	15	-	15	(15)	-
Patterson (j)	2	(2)	-	-	-
Cable Bay	-	2	2	-	2
Other	53	(8)	45	-	45
Other					
Other Projects, Various (k)	33	(8)	25	6	31
Total	**813**	**(425)**	**736**	**(88)**	**648**

7 Mineral Property Interests (continued)

Summary of option payments receivable in the years ending April 30[2]	Cash $000's	Total[2] Spend[1] $000's	Shares
2016	25	3,075	5,750,000
2017	-	3,475	250,000
Thereafter	-	9,775	-

[1] Represents cumulative spend required not the spend per fiscal year to maintain certain interest in the Company's properties.
[2] Represents optionees' commitments to maintain certain interest in the Company's properties.

a) Cree East, Saskatchewan – Korean Consortium

Cree East consists of approximately 58,000 hectares of mineral claims in the Athabasca. In December 2007, the Company formed the CKU Partnership with the Korean Consortium ("Consortium") to develop Cree East. Under the terms of agreements, the Korean Consortium invested $19.0 million towards the earn-in of a 50% ownership interest in the CKU Partnership over a four year period (April 30, 2015: 50%). The Company acts as the operator for the exploration project and earns a management fee of 10% of the exploration expenditures incurred. The total expenditures on the property for the six months ended October 31, 2015 and 2014 was approximately $24,000 and $133,000 respectively and has a carrying value of $nil.

b) West McArthur, Saskatchewan - Mitsubishi

West McArthur consists of approximately 36,000 hectares of mineral claims in the Athabasca. In April 2007, the Company optioned the claims to Mitsubishi Development Pty Ltd. ("Mitsubishi") whereby Mitsubishi could exercise an option to earn a 50% interest in the property by funding expenditures of $10.0 million and by making a $1.0 million payment upon completion of the $10.0 million funding requirement. In February 2010, Mitsubishi exercised their option with a payment to the Company of $1.0 million and an unincorporated 50/50 joint venture was formed between the parties to pursue further exploration and development of the property. The Company acts as project operator and earns a fee (between 5% and 10%) based on the expenditures incurred. The total expenditures on the property for the six months ended October 31, 2015 and 2014 was approximately $30,000 and $36,000 respectively.

c) Grease River, Saskatchewan

In July and October 2015, the Company recognized an impairment on certain of its Grease River claims of approximately $17,000 as it did not renew its permits on these claims.

7 Athabasca Mineral Property Interests (continued)

d) NW Manitoba, Manitoba

In September 2013, the Company entered into an option agreement with Northern Uranium Corp ("Northern") previously MPVC Inc. for an interest in the NW Manitoba project. The project covers 143,603 hectares along the Saskatchewan/Manitoba border. Northern may earn an 80% interest in the project by carrying out a three stage $11.6 million exploration program, make a cash payment of $35,000 (paid), issue 12 million common shares and issue 6 million common share purchase warrants.

In September 2015, the Company received 5,000,000 shares and 2,500,000 share purchase warrants from Northern.

e) Poplar, Saskatchewan

In May 2015, the Company recognized an impairment on certain of its Poplar claims of approximately $35,000 as it did not renew its permits on these claims.

In July 2015, the Company acquired four claim blocks totalling 4,127 hectares located on the northern edge of Lake Athabasca and southeast of Uranium City for $2,359.

f) Helmer, Saskatchewan

In May and July of 2015, the Company acquired seven claim blocks totalling 7,317 hectares located on the southern shore of Lake Athabasca for $4,390.

In June 2015, the Company recognized an impairment on certain of its Helmer claims of approximately $12,000 as it did not renew its permits on these claims.

g) Lake Athabasca, Saskatchewan

In June and July of 2015, the Company recognized an impairment on certain of its Lake Athabasca claims of approximately $24,000 as it did not renew its permits on these claims.

h) Hodgson, Saskatchewan

In May 2015, the Company acquired one claim block totalling 5,901 hectares located in the east central part of the Athabasca basin, 27 kilometres northwest of the McArthur River mine for $3,541.

i) Collins Bay, Saskatchewan

In June 2015, the Company entered into an agreement with Bayswater Uranium Corporation ("Bayswater") to terminate its Collins Bay Extension project option. In consideration, the Company received 2,000,000 common shares of Bayswater and a 2.5% net smelter returns royalty.

7 Athabasca Mineral Property Interests (continued)

j) Patterson, Saskatchewan

On September30, 2015, the option agreement with Makena Resources Inc. for the Patterson project was amended whereby in exchange for an extension on the work program and remaining cash payment, Makena agreed to allow the Company, up until July 31, 2016, to request an extension on the term of the outstanding share purchase warrants until September 20, 2018 subject to TSX Venture Exchange approval.

k) Other Projects

Hanson, Saskatchewan

In May 2015, the Company received 1,000,000 shares of Copper Reef Mining Corp. related to a purchase agreement for two claim blocks in the Hanson project dated April 21, 2015.

In July 2015, the Company acquired several claim blocks totalling 5,822 hectares located in the Pikoo kimberlite discovery area for $5,531

8 Share Capital

The Company has authorized capital consisting of an unlimited amount of common shares without par value.

9 Stock Options and Warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined by management at the date of grant. A total of 4,400,000 common shares of the Company may be allotted and reserved for issuance under the stock option plan.

	Number of options 000's	Weighted average exercise price $
Outstanding - May 1, 2014	3,851	0.20
Granted	1,336	0.14
Expired	(917)	0.25
Forfeited	(249)	0.25
Outstanding – April 30, 2015	**4,021**	**0.16**
Granted	105	0.19
Outstanding – October 31, 2015	**4,126**	**0.16**

9 Stock Options and Warrants (continued)

As at October 31, 2015, the following stock options were outstanding:

	Number of options outstanding 000's	Number of options exercisable 000's	Exercise price	Expiry date (Fiscal Year)
	574	574	$0.18	2017
	1,143	1,143	$0.18 - $0.25	2018
	1,592	1,592	$0.12	2019
	762	762	$0.12 - $0.14	2020
	55	55	$0.20	2021
Total	**4,126**	**4,126**		

For the three months ended October 31, 2015, total share-based compensation expense was $nil (October 31, 2014: $nil). For the six months ended October 31, 2015, total share-based compensation expense was $12,993 (October 31, 2014: $61,469).

Warrants

As at October 31, 2015, there were no warrants outstanding.

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options and warrants. The Company's expected volatility is based on the historical volatility of the Company's share price on the Toronto Stock Exchange or the TSX Venture Exchange. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense for the six months ended October 31, 2015:

	Options
Weighted average fair value	$0.12
Forfeiture rate	15.4%
Risk-free interest rate	0.6% - 0.7%
Expected life	2.0 - 2.4 years
Expected volatility	132.4% - 133.3%
Expected dividend	0%

10 Related Party Transactions

Related parties include the Board of Directors and Officers of the Company and enterprises which are controlled by these individuals.

The remuneration of directors and key management of the Company for the three and six months ended October 31, 2015 and 2014 were as follows. Certain compensation is paid to Schimann Consultants, a company controlled by a director and VP of Exploration.

	Three months ended October 31		Six months ended October 31	
	2015	2014	2015	2014
($000's)	$	$	$	$
Employment benefits	71	71	143	189
Schimann Consultants	34	39	68	118
Directors fees	-	-	-	100
Share-based compensation	-	-	7	54

The directors and key management were awarded the following share options under the employee share option plan during the six months ended October 31, 2015:

Date of grant	Number of options	Exercise price	Expiry
May 8, 2015	55,000	$0.20	May 8, 2020

11 Commitments

The Company has the following commitments in respect of operating leases for office space, land, or computer equipment:

Fiscal Year Ending	Total $000's
2016	14
Thereafter	7
Total	**21**

12 Management of Capital

The Company considers its capital to consist of common shares, stock options and warrants. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

13 Geographic Segmented Information

The Company operates in one business segment, the exploration of mineral property interests. The following summarizes the Company's operations based on the geographic areas in which it operates:

October 31, 2015 ($000's)	**Canada**	**U.S.A.**	**New Zealand**	**Total**
Non-current assets	976	-	-	976
Total assets	2,560	-	-	2,560
Total liabilities	108	-	-	108
Loss for the period	967	-	-	967

April 30, 2015 ($000's)	**Canada**	**U.S.A.**	**New Zealand**	**Total**
Non-current assets	1,089	-	-	1,089
Total assets	3,462	-	-	3,462
Total liabilities	137	-	-	137
Earnings (loss) for the year	(2,346)	1,535	1,612	801