



CanAlaska Uranium Ltd.

CVV - TSX-V CVVUF - OTCBB DH7N – Frankfurt

Management Discussion and Analysis For the Fourth Quarter and Year Ended April 30, 2018

Dated July 24, 2018

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR. Information is also available at the Company's website www.canalaska.com. The following information is prepared in accordance with International Financial Reporting Standards (IFRS) and denominated in Canadian dollars, unless otherwise noted. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended April 30, 2018.

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This MD&A contains forward-looking information. Refer to section 6 "Forward-Looking Statements" and "Risks Factors" for a discussion of the risks, uncertainties and assumptions relating to such information.



1. OVERVIEW OF THE COMPANY

- ✓ Over 8 projects covering 249,000 hectares focused on Uranium, 2 projects covering 59,000 hectares focused on Diamonds and 5 projects covering 19,000 hectares focused on nickel, copper and other minerals (section 1.1)
- ✓ Cash and cash equivalent resources of \$0.9 million (as at April 30, 2018)
- ✓ 31,056,326 common shares issued and outstanding (July 24, 2018)

1.1 Profile and Strategy

The Company is an exploration stage company engaged in the acquisition and exploration of mineral properties, principally in Canada. The Company aims to acquire and advance its projects to a stage where they can be exploited at a profit or it can arrange joint ventures, whereby other companies provide funding for development and exploitation. The Company's principal focus has been the exploration for high-grade uranium deposits in the Athabasca Basin area of Saskatchewan and recently, the exploration for diamond deposits in the same region. There are several projects on which the Company has expended recent efforts. The West McArthur project was under a 50% joint venture with Mitsubishi up to mid January 2016 and as of February 24, 2016 is now under a new option with Cameco Corporation ("Cameco"), the Cree East project was under a 50% joint venture with a Korean Consortium up to early July 2017, the Moon South project is under option to Denison Mines, and the NW Manitoba project is currently under option to Northern Uranium Corp ("Northern Uranium"). The Company recently acquired a number of properties focused in the exploration of diamonds. Going forward it is expected that the Company will focus its effort on West McArthur, Cree East, West Athabasca Kimberlite and selected base metal and precious metal opportunities. The Company is actively marketing the remainder of its projects for option, joint venture or sale.

Table 1: Canadian Strategic Property Summary

Property / Project Name	Notes	Hectares
West McArthur	Option with Cameco Corporation	36,000
Cree East	Seeking Venture Partner.	58,000
NW Manitoba	Option with Northern Uranium Corp.	144,000
Moon South	Option with Denison Mines	2,700
West Athabasca Kimberlite	Seeking Venture Partner.	52,000

The Company's exploration activities are managed through CanAlaska's office maintained in Vancouver, BC.

The Company believes that the fundamentals of the nuclear power industry and the economic superiority of uranium over other energy fuels will ensure the long-term future of global uranium markets and prices. Since 1985, CanAlaska has expended over \$78 million of the total equity of \$85.7 million on exploration and research towards the advancement of uranium, nickel and diamond discovery on our project areas. The information gained from this work has provided the Company with significant evidence about the nature and location of mineral rich hydrothermal systems in areas of the Athabasca where previous information was lacking. The increase in understanding of the geology of the target areas, and the integration of modern geophysical methods with data processing to get more precise target definition at depth gives management the confidence to continue exploration for large scale uranium deposits on our projects.

1.2 Strategic and Operating Intent

- Monitor and assist Cameco with exploration at West McArthur Uranium Project
- Complete equity financing options over the next months
- Targeted marketing of uranium projects for financing
- Targeted marketing of non-core projects
- Restriction of uranium exploration activity until financial markets recover in this sector
- Strong commitment to option, joint venture or sale of individual exploration projects
- Evaluate alternate commodities and projects suitable for market financing, or acquisition and sale
- Company believes that it has the projects, strategic partners, people and knowledge base, corporate treasury and fund raising ability to maintain a position in the uranium exploration sector, but, due to increasingly difficult market conditions facing junior mining and junior uranium exploration companies, management has taken steps to streamline non-discretionary expenditures and financial overheads



As of July 23, 2018, the Company had 31,056,326 shares outstanding with a total market capitalization of \$11.8 million. The Company's shares trade on the TSX Venture Exchange ("CVV") and are quoted on the OTCQB in the United States ("CVVUF") and the Frankfurt Stock Exchange ("DH7N").

The consolidated financial statements and the Management Discussion and Analysis have been prepared under IFRS applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. For the year ended April 30, 2018, the Company reported a loss of \$1.1 million and as at that date had cash and cash equivalents of \$0.9 million, net working capital balance of \$1.3 million and an accumulated deficit of \$85.7 million. Subsequent to April 30, 2018, the Company completed a private placement financing for gross proceeds of \$513,518.

The Company does not generate recurring revenues from operations and other factors as noted may cast significant doubt regarding the Company's ability to continue as a going concern. 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.

2. MILESTONES AND PROJECT UPDATES

2.1 Overview– May 1, 2017 to July 24, 2018

- CanAlaska models nickel target at Manibridge and completed sale of Fleetwood zinc property (July 2018)
- CanAlaska announces closing of \$513,518 private placement (June 2018)
- Ongoing summer work under Cameco's option agreement at West McArthur (May 2018)
- Results from Cameco's winter drill program at West McArthur (April 2018)
- CanAlaska acquires third nickel-cobalt project in Thompson Nickel Belt (March 2018)
- CanAlaska announces closing of \$585,760 private placement (February 2018)
- Drilling to start at West McArthur uranium discovery (January 2018)
- Drilling to Continue at West McArthur uranium discovery (November 2017)
- Drill assay results confirm West McArthur uranium discovery (November 2017)
- CanAlaska acquires nickel projects in Thompson Nickel Belt (September 2017)
- Second intersection confirms further uranium on C10 trend at West McArthur (September 2017)
- Cameco reports significant uranium mineralization at West McArthur (August 2017)
- Cameco commences drill program on West McArthur (July 2017)
- CanAlaska now owns an unencumbered 100% of the Cree East uranium project (July 2017)
- Fjordland and Canterra terminate option on certain diamond exploration properties in western Athabasca (May 2017)
- CanAlaska drilling discovers VMS at Nisku (May 2017)
- Cameco to drill West McArthur project (May 2017)

In July 2018, the Company announced that it modeled historical drill data and defined a 400 metre long high-grade nickel target within a 1,200 metre long horizon of semi- continuous nickel mineralization, north of the former producing Manibridge nickel mine, in the Thompson Nickel Belt, Manitoba. The Manibridge project is located in an area of generally high nickel tenor mineralization, outlined by discovery drill holes and recent airborne geophysical surveys, as well as a number of untested targets. Additional airborne survey work is currently being tendered by the Company, with the aim to have several drill targets ready by fall 2018. The Company also announced that it had completed the sale of the Fleetwood zinc property near Harrison BC for a cash payment of \$10,000 and issuance of 200,000 common shares of Inomin Mines Inc.

In June 2018, the Company announced that it had closed its non-brokered private placement financing. The Company has issued 531,588 units for gross proceeds of \$180,740 and 853,276 flow-through units for gross flow-through proceeds of \$332,778. In conjunction with these financings, the Company paid finders' fees to eligible finders in the aggregate amount of \$20,292.28 cash and 52,955 finder's warrants. Each finder's warrant is exercisable for one common share at a price of \$0.51/share for a two year period; provided that after the four month hold period expires, if for 10 consecutive days the closing price of the Company's shares on the TSX-V exceeds \$0.90, then the Company may anytime thereafter accelerate the expiry date of the warrants to the date that is 10 days



following the date on which the Company issues notice to all the warrant holders of the new expiry date. The Company will also issue a press release on the same date as it issues notice confirming the new expiry date of the warrants.

In May 2018, the Company reported ongoing summer work under Cameco's year 3 program at the 5 kilometre long Grid 5 target. The summer activities will include borehole EM to explain and locate the conductor and better interpret the fault location.

In April 2018, the Company reported result from Cameco's winter drill program at the 5 kilometre long Grid 5 target area at the West McArthur uranium project. Cameco's drilling concentrated on developing an overall view of the geology and alteration between hole WMA047, located 1.4 kilometres to the southwest of the uranium mineralization in hole WMA042, through to hole WMA050 located 800 metres to the northeast. Additional drill holes over a two kilometre trend also intercepted encouraging alteration and additional graphitic horizons. Of the seven drill holes completed this winter, six had significant faulting and alteration and one was mineralized (WMA045).

In March 2018, the Company announced that it had staked 15 claims totalling 3,800 hectares to cover historical nickel and possible cobalt mineralization adjacent to the Manibridge nickel mine in north central Manitoba. The Manibridge nickel deposit was mined from 1971 to 1977. Original resources were 1.5 million tons at 2.25% nickel and 0.27% copper. Although cobalt was not reported, cobalt mineralization exists in other deposits in the Thompson Nickel Belt. The project is located in an area of generally high nickel tenor grade mineralization, with a number of untested targets which are outlined by discovery drill holes, and recent airborne geophysical surveys.

In February 2018, the Company announced that it had closed its non-brokered private placement financing. The Company issued 1,722,823 units for gross proceeds of \$585,760. In connection with this financing, and in compliance with the policies of the TSX Venture Exchange, the Company paid finder's fees totaling \$26,418 cash and 77,700 finder's warrants. Each finder's warrant is exercisable for one common share of the Company at a price of \$0.51/share for a two year period, provided that if the closing price of the Company's common shares listed on the TSX Venture Exchange exceeds \$0.90/share for 10 consecutive trading days, then at any time thereafter the Company may accelerate the exercise period of the warrants to reduce it to a period expiring 30 calendar days after the date express written notice of such acceleration is provided by the Company to the warrant holders.

In January 2018, the Company reported that ground geophysical surveys were completed and drilling was planned to follow up on the summer uranium discovery at the West McArthur uranium project. A 6,200 metre drill program will target the immediate vicinity of discovery drill holes WMA042 and WMA042-2.

In November 2017, the Company reported the receipt from Cameco of their proposed 2018 program and budget for the West McArthur uranium project. Presented at a November joint technical meeting, Cameco proposed a \$1.61 million drill exploration program starting in the first quarter of 2018. The exploration program includes 6,200 metres (20,300 feet) of drilling (6 - 7 drill holes) at Grid 5 in the vicinity of the West McArthur discovery, and also near drill holes WMA038 and WMA040, located 1,800 metres southwest of the discovery holes. Cameco's exploration campaign follows-up a successful seven-hole summer drill program that intersected high-grade uranium along trend from Cameco's Fox Lake uranium discovery.

In November 2017, the Company reported final results from drill holes WMA042 and WMA042-2, on the West McArthur uranium project. The drill program was conducted by Cameco as part of their \$12.5 million option to earn a 60% interest in the project. The first two holes on C10 conductor intersected 1.51% U₃O₈ over 5.5 metres and 1.26% U₃O₈ over 4.4 metres, highlighted by 4.15% U₃O₈ over 1.4 metres. The two drill holes intersected high-grade uranium within a broad fault controlled zone of strongly bleached sandstone accompanied by a pyrite halo just above the Athabasca sandstone unconformity.

In September 2017, the Company reported that it had acquired two mineral exploration licences covering over 16,000 hectares in an area highly prospective for sulphide nickel located 25 kilometres northwest of the town of Thompson and Vale's nickel smelter and mining operations. The land package covers extensive areas of favourable nickel geology identified in historical work by both Inco and Falconbridge. Drill testing of the area ceased in 2005, but an extensive portion of the properties were later flown by next generation VTEM airborne in 2007, providing twenty-nine new targets, six of which are high priority targets within mapped Pipe Formation stratigraphy.

In September 2017, the Company reported interim results from drill hole WMA042-2, a wedge from mineralized drill-hole WMA042, on the West McArthur uranium project. The ongoing drill program is being conducted by Cameco. Drill hole WMA042-2 commenced at 275 metres downhole in strongly bleached sandstone with characteristic clays and alteration similar to that overlying nearby



uranium deposits. Seven fault zones are reported. The drill hole is across the conductor trend and intersected the unconformity approximately 24 metres southeast of the mineralized intersection reported for WMA042. The calculated average grade of the uranium intercept, as measured by calibrated probe, is 1.4% eU₃O₈ over 5.1 metres. Detailed assays and interpretation from the drill program is expected to be reported in October.

In August 2017, the Company reported that Cameco has interim results from drill hole WMA042 on the West McArthur project where Cameco is testing the C10 conductor package at Grid 5. Drill hole WMA042 is located approximately 300 metres north of Cameco's 2016 drill hole WMA035, which is located on the east end of Grid 5. The calculated grade of uranium intercept, as measured by calibrated probe is 1.34% U₃O₈ over 5.65 metres. The intercept is at the unconformity and appears to be in the footwall of the mineralized fault which was intercepted 80 metres higher in the drill hole. Cameco is starting a wedge hole from WMA-042 to test the optimum target location.

In July 2017, the Company reported that Cameco has commenced the summer drill program on the West McArthur uranium project. The summer drill program will have concurrent drilling on two target areas. The work will be carried out by a helicopter supported team based at Cameco's nearby majority-owned McArthur River mine. The proposed drill program will utilize up to three drill-holes and one offcut totalling 3,400 metres.

In July 2017, the Company reported that it had increased its interest in the Cree East uranium project, one of the largest land positions in the eastern Athabasca. The Company now owns an unencumbered 100% interest in the project which covers 57,752 hectares of highly prospective terrain. The project has land assessment credits banked until 2033 and hosts multiple large scale uranium targets. The Company bought back the 50% interest in the Limited Partnership earned by the Korean partners Hanwha, KORES, KEPCO and SK in consideration for certain indemnities which it provided to the Partners. In addition, all funds previously invested by the Partners that were held in the Partnership's bank account in the amount of \$146,675 on the date of closing were returned to the Partners at closing.

In May 2017, the Company announced it had accepted the termination of property sales agreements with Fjordland Exploration Inc. and Canterra Minerals Corporation for certain diamond exploration properties in the western Athabasca. The Company retains a 100% unencumbered interest in these properties.

In May 2017, the Company announced results from the four reconnaissance drill holes at the Nisku target located 7 kilometres east of the Company's North Ruttan copper-zinc property in the Leaf Rapids area of northern Manitoba. Drilling intersected massive iron sulphides between surface and 150 metres depth, with elevated copper mineralization in holes NSK001- NSK002 and NSK003. Drill hole NSK004 located to the east intersected volcanics with minor sulphides. The drilling has set the framework for more detailed interpretation of the zone and the localization of the expected feeder pipes proximal to the massive sulphides and stratigraphic rock package intersected in these first four drill holes.

In May 2017, the Company announced receipt of a budget from Cameco for drilling at the West McArthur uranium project. Geophysics and drilling, estimated to cost \$1.9 million, will be carried out this summer on both the Grid 1 and Grid 5 targets using a helicopter supported team based at Cameco's nearby majority owned McArthur River mine.

2.2 Project Updates

Overview

The Company currently has 13 projects within the Athabasca basin area. There is significant exploration being carried out on the West McArthur project, which is under a two stage \$12.5 million option to Cameco. In fiscal 2018, the Company spent approximately \$159,000 (\$250,000 net of \$91,000 from a Mineral Exploration Assistance Program (MEAP) grant from the Manitoba government) on exploration costs in the Athabasca Basin area.

Exploration spending in the fourth quarter of 2018 is down from the same comparative quarter of 2017. The overall decrease in fiscal 2018 compared to fiscal 2017 is largely due to the recovery from the MEAP grant from the Manitoba government for our exploration activities on our Ruttan project. The Company had reduced its exploration spend to conserve cash. In the fourth quarter, the Company historically spent this time drilling in the winter season in the Athabasca Basin at our various projects.



The following table summarizes the Company's expenditures for the year ended April 30, 2018.

Table 2: (\$000's)	West		West	Other	Other and	
Total Exploration	McArthur ⁽¹⁾	Cree East	Athabasca Kimberlite	Athabasca Basin Projects	Generative Projects	Total
Camp Cost & Operations	-	-	-	-	-	-
Drilling	-	-	-	1	-	1
General & Administration	14	1	14	65	104	198
Geochemistry	-	-	-	4	-	4
Geology	-	-	1	-	14	15
Geophysics	-	-	8	-	11	19
Other	-	-	-	13	-	13
Gross Expenditures	14	1	23	83	129	250
Reimbursement	-	-	-	(91)	-	(91)
Net Expenditures	14	1	23	(8)	129	159

⁽¹⁾ Under two stage \$12.5 million option to Cameco.

The following section contains a comparative breakdown of project expenditures for the Company's significant projects.

2.2.1 West McArthur Project, Saskatchewan – Cameco

The West McArthur project in the Athabasca Basin, Saskatchewan, was optioned in April 2007 to Mitsubishi Development Pty Ltd., a subsidiary of Mitsubishi Corporation of Japan. Under the option agreement, Mitsubishi earned a 50% interest in the property and in January 2016, the Company entered into a buy back agreement with Mitsubishi for their 50% interest to then hold a 100% interest in the property. In February 2016, the Company then entered into an option agreement with Cameco Corporation. The option agreement enables Cameco to earn up to a 60% interest in the West McArthur project through total expenditures of \$12.5 million until February 2022 (\$725,000 received) consisting of cash payments to the Company and accelerating exploration programs, culminating in a joint venture.

The West McArthur project is located between 6 and 30 kilometres west of the producing McArthur River uranium mine operated by Cameco Corp, and covers approximately 36,000 hectares. On the property, there is evidence of hydrothermal alteration extending well into the sandstone, matching the typical alteration model of Athabasca unconformity style uranium deposits. There is evidence of uranium mineralization from drill testing in multiple areas, either as enrichment (locally high grade) at the unconformity or in basement stringers. The most compelling features for further exploration are the uranium values in sandstone higher in the stratigraphy, the hematized and broken rock in the sandstone, and the pattern of basement offsets and geophysical conductivity.

The project is accessible during the winter drill season by seasonal winter ice roads and winter trails and during the summer exploration season by air and water. There is no physical plant or permanent infrastructure on the property and no source of power. However, the property is in close proximity to the McArthur River uranium mine operated by Cameco. There are multiple extensive lakes, which can provide a source of water for the project.

The mineral rights for West McArthur were acquired between October 2004 and February 2009 from the Ministry of Energy and Resources in the province of Saskatchewan, Canada. The claim numbers are as follows, S-107561, S-107562, S-107563, S-107565, S-107773, S-108010, S-108011, S-108012, S-111412 S-111413, S-111511 and S-111512. The mineral rights to West McArthur are valid and in good standing with the earliest claim, requiring renewal in October 2029 with no further exploration expenditures required. An annual assessment report is required to be filed by the Company with the Ministry of Energy and Resources to disclose the exploration activities on this claim. There is no fee for filing the annual assessment report.

The potential of this project is for unconformity style uranium mineralization of both the Simple (Low REE, basement hosted) and the Complex (High REE, Sandstone hosted) types of uranium. Previous exploration was hampered by the depths to the basement, however, recent advances with airborne geophysical survey technology has enabled penetration to those depths. Multiple exploration programs since 2005 have identified targets with strong geophysical feature, similar to those near existing uranium mines. Limited



drill testing in several of these areas have shown the basement offsets, hydrothermal clay alteration, and elevated uranium geochemistry consistent with the Athabasca unconformity deposit model. The project has four target areas which are being evaluated for further drill testing.

The property has undergone a series of exploration programs, including extensive geophysics and drilling of over 35 drill holes since 2005. The West McArthur property is without known reserves and any proposed program is exploratory in nature.

In May 2017, the Company received Cameco's \$1.9 million budget for geophysics and drilling at the West McArthur uranium project. The exploration activities were targeting Grid 1 and Grid 5 using a helicopter supported team based at Cameco's nearby majority owned McArthur River mine.

In August and September 2017, the Company received interim drilling results from Cameco and in November 2017, the Company received final results from drill holes WMA042 and WMA042-2, on the West McArthur uranium project. First two holes on C10 conductor intersect 1.51% U₃O₈ over 5.5 metres and 1.26% U₃O₈ over 4.4 metres, highlighted by 4.15% U₃O₈ over 1.4 metres. The two drill holes intersected high-grade uranium within a broad fault controlled zone of strongly bleached sandstone accompanied by a pyrite halo just above the Athabasca sandstone unconformity.

Also, in November 2017, the Company received Cameco's proposed 2018 program and budget for the West McArthur uranium project. Cameco proposed a \$1.61 million drill exploration program starting in the first quarter of 2018. The exploration program includes 6,200 metres (20,300 feet) of drilling (6 - 7 drill holes) at Grid 5 in the vicinity of the West McArthur discovery. Cameco's exploration campaign follows-up a successful seven-hole summer drill program that intersected high-grade uranium along trend from Cameco's Fox Lake uranium discovery.

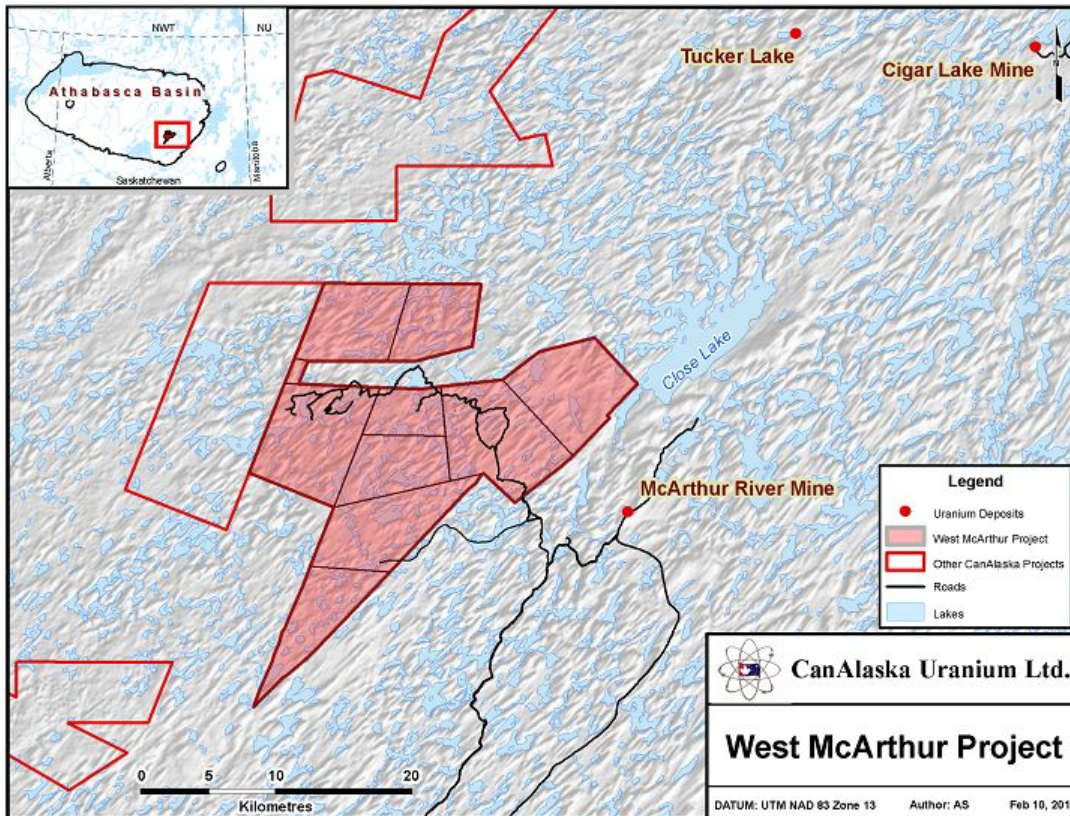
In January 2018, ground geophysical surveys were completed and in March 2018, the winter program of 6 to 7 drill holes was ongoing and new targets had been defined following the completion of a Step Wise Moving Loop Time Domain EM ground survey. Initial drill holes were being followed-up with wide spaced step-out holes.

In April 2018, the Company received the results from Cameco's winter drill program at the 5 kilometre long Grid 5 target area. Cameco's drilling concentrated on developing an overall view of the geology and alteration between hole WMA047, located 1.4 kilometres to the southwest of the uranium mineralization in hole WMA042, through to hole WMA050 located 800 metres to the northeast. Additional drill holes over a two kilometre trend also intercepted encouraging alteration and additional graphitic horizons. Of the seven drill holes completed this winter, six had significant faulting and alteration and one was mineralized (WMA045).

In May 2018, the Company reported ongoing summer work under Cameco's year 3 program at the 5 kilometre long Grid 5 target. The summer activities will include borehole EM to explain and locate the conductor and better interpret the fault location.

Total expenditures reported by Cameco Corporation during the option period to December 31, 2017 of \$3.393 million.

The West McArthur property is without known reserves and any proposed program is exploratory in nature.



2.2.2 Cree East Project, Saskatchewan

The Cree East project is located in the south-eastern portion of the Athabasca Basin, 35 kilometres west of the formerly producing Key Lake mine and 5 to 22 kilometres north of the south rim of the Athabasca Basin. The project is comprised of 17 contiguous mineral claims totalling approximately 58,000 hectares.

In July 2017, the Company reported that it and its Korean partners, Hanwha, KORES, KEPCO, and SK Networks, had entered into a buy back agreement for the Korean partners' 50% interest in the Cree East uranium project limited partnership. The Company bought back the 50% interest in the limited partnership earned by the Korean partners in consideration for certain indemnities which it provided to the Partners. In addition, all funds previously invested by the partners that was held in the partnership's bank account on the date of closing, was returned to the partners at closing. The Company owned an unencumbered 100% interest in the project.

The project is accessible during the winter drill season by seasonal winter ice roads and winter trails and during the summer exploration season by air and water. There is no physical plant or permanent infrastructure on the property and no source of power. There are multiple extensive lakes which can provide a source of water for the project.

The mineral rights for Cree East were acquired between November 2004 and June 2010 from the Ministry of Energy and Resources in the province of Saskatchewan, Canada. The claim numbers are as follows, S-107757, S-107774, S-107775, S-107776, S-107777, S-107778, S-107779, S-107780, S-108357, S-108358, S-108382, S-108383, S-108384, S-108385, S-108386, S-108387 and S-111809. The mineral rights to Cree East are valid and in good standing with the earliest claim requiring renewal in November 2020 with no further exploration expenditures required. An annual assessment report is required to be filed by the Company with the Ministry of Energy and Resources to disclose the exploration activities on this claim. There is no fee for filing the annual assessment report.

The project area covers Athabasca group conglomerates and sandstones. Sandstone unconformity overlies basement at depths in the order of 200 to 300 metres in the south. Structural breaks which trend across the across the property further drop the basement to estimated depths of 800 to 900 metres across the northern edge of the property. The basement is composed of the Lower Proterozoic, (Trans Hudson) Mudjatik domain, granitoids and associated minor supercrustals (psammites, pelites and metavolcanics). A significant portion of the property is considered to be underlain by rocks of the highly prospective Wollaston Domain.

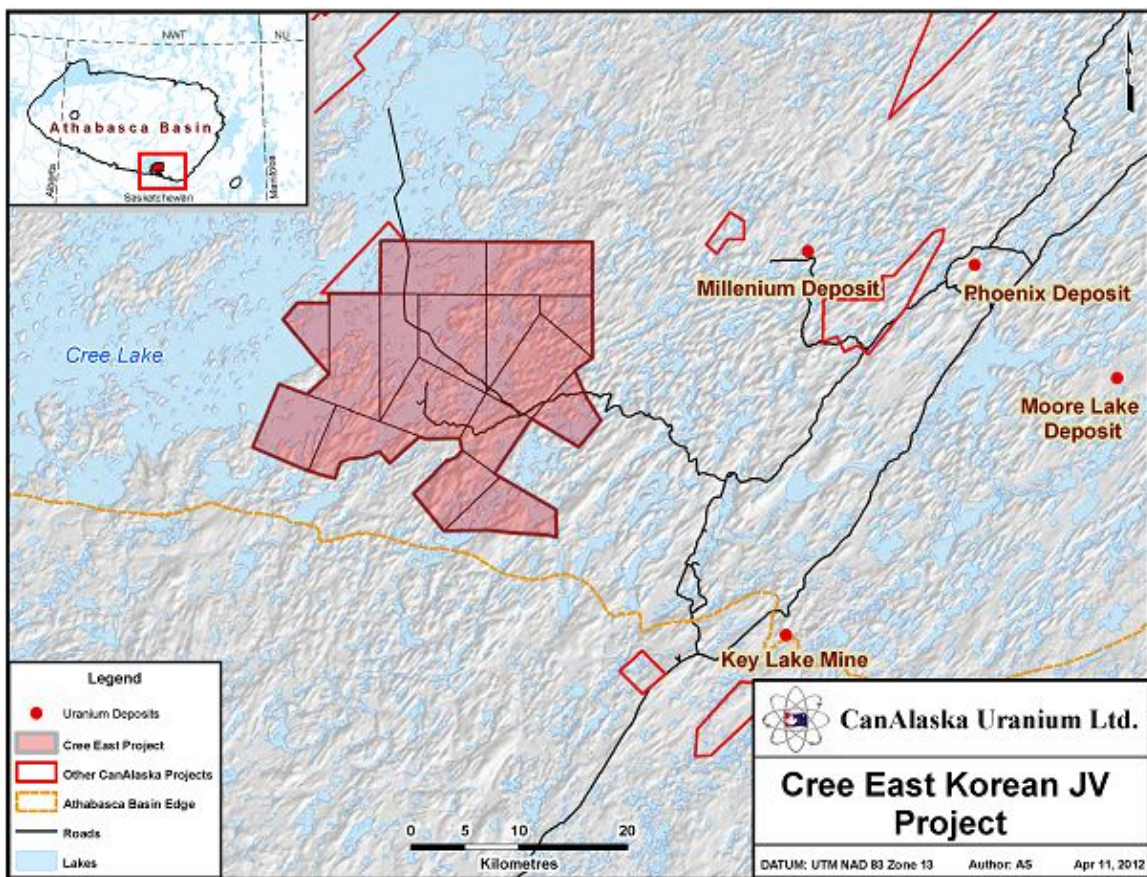


The property has undergone extensive exploration since 2005 with \$19.3 million expended on surveys, extensive geophysical testing and over 70 drill holes testing targets. The Cree East property is without known reserves and any proposed program is exploratory in nature.

The potential of this project is for unconformity style uranium mineralization of both the Simple (Low REE, basement hosted) and the Complex (High REE, Sandstone hosted) types of uranium. The area has numerous conductors and faults which act as both the conduit and the trap for potential uranium mineralization. A number of structures and conductive targets have been identified from the Company's exploration efforts.

The next substantial work programs on the property will consist mainly of drill testing the current targets. Active full season programs of 15-18 drill holes are generally budgeted at \$3 million to \$4 million, including drill geophysics, camp and logistics.

The Cree East property is without known reserves and any proposed program is exploratory in nature.





2.2.3 NW Manitoba, Manitoba

This property consists of approximately 144,000 hectares and lies between 90 and 170 kilometres northeast along the Wollaston trend of basement formations hosting uranium deposits, which include Rabbit Lake, Collins Bay and Eagle Point Uranium mines. In May 2012, the Company reported strong geophysical responses matching geology and uranium mineralized boulders from the recent surveys within the target areas at its NW Manitoba uranium project. The project was re-started in March 2012 following a four and a half year permitting delay due to consultations between the government of Manitoba and the local community. The Company had concluded an operating MOU with the local community and recommenced ground survey work. The ground resistivity gravity geophysical surveys carried out in March 2012 localized anomalous features typical of sulphide-bearing mineralization, and zones of clay alteration within areas of shallow overburden. There is a striking correspondence between the location of gravity anomalies and the low resistivity zones from the survey. These targets are similar in style to the Andrew Lake uranium project in Nunavut, which has similar resistivity and gravity geophysical responses related to uranium mineralization hosted in regional fault structures.

In September 2013, the Company entered into an option agreement Northern Uranium Corp. (previously MPVC Inc.) for an interest in the NW Manitoba project. Northern Uranium 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, issue 12 million common shares and issue 6 million common share purchase warrants.

On February 28, 2014, the option agreement with Northern Uranium for the NW Manitoba project was amended to extend the date of certain provisions of the agreement from February 28, 2014 to March 14, 2014. In consideration for amending the option agreement, Northern Uranium paid a further non-refundable cash deposit in the amount of \$50,000 on March 14, 2014.

In September 2015, the Company reported that Northern Uranium has elected to acquire an 80% interest in the Company's NW Manitoba project by incurring further expenditures of \$5.6 million on the project over the next two years. Northern Uranium exercised its option to acquire 70% interest in the property having reported it spent \$6 million on property exploration. Northern Uranium has issued CanAlaska a further 5 million shares and 2.5 million share purchase warrants in September 2015.

In November 2017, Northern Uranium reported its intention to form a 70/30% joint venture with the Company for the NW Manitoba property.

2.2.4 Western Athabasca Kimberlite

In February 2016, the Company acquired by staking, approximately 75 kimberlite targets in the Western Athabasca Basin, Saskatchewan. The claims staked cover kimberlite style targets developed from a high resolution airborne geophysical survey carried out on behalf of the Saskatchewan Geological Survey. The 2011 airborne magnetic survey reveals a series of discrete magnetic anomalies with a shallow signature northeast of the Carswell structure and close to a large crustal structure, the Grease River Shear Zone.

In May 2016, the Company entered into an option-participation agreement with De Beers Canada Inc. for \$20.4 million on kimberlite style targets in the northwestern Athabasca basin, Saskatchewan. The claims staked by the Company and optioned to De Beers cover 75 kimberlite-style targets developed from a recent high resolution airborne geophysical survey carried out on behalf of the Saskatchewan Geological Survey in 2011. The agreement grants De Beers an option to acquire up to 90% interest in the project by completing work commitments in multiple stages totalling \$20.4 million.

In May 2016, the Company entered into an option agreement with Fjordland Exploration Inc. on 2 claim blocks in our Western Athabasca Kimberlite project. Fjordland Exploration Inc. may earn a 100% interest in the project by making payment of \$50,000 (\$5,000 received), issuing 4,000,000 common shares and completing work commitments of \$100,000 by December 31, 2017.

In June 2016, the Company reported that De Beers' exploration team has collected over 100 samples of kimberlite indicator mineral (KIM) processing from the West Athabasca project. The samples of glacial gravels were collected from eskers within the target area. These samples will be processed in De Beers laboratories to establish further evidence of kimberlite intrusives associated with the magnetic anomalies staked by the Company.

In August 2016, the Company reported that De Beers' exploration team was preparing to start drilling kimberlite targets at the Company's West Athabasca diamond project. De Beers' recently completed detailed airborne surveys over the diamond project area confirmed the presence of several near surface magnetic anomalies. A drill program is scheduled to start at the end of August and



continue mid-October to test a selection of the accessible land targets. Drilling of the remaining targets that are located under lakes are planned for winter 2017. All drill core will be shipped to De Beers' facilities for detailed logging, sampling, and mineral processing.

In September 2016, the Company reported that De Beers Exploration has commenced its drill program at the Company's West Athabasca diamond project. Eleven kimberlite targets with various features are scheduled to be drilled in this current program, with the balance to be tested this winter, results dependent. Detailed low level airborne survey has identified 85 magnetic anomalies, enclosing 258 discrete magnetic targets.

In September 2016, the Company reported that it had been informed by De Beers exploration that seven of the 11 anomalies originally targeted as accessible for the summer program at the West Athabasca diamond project were drilled, while the remaining four targets have been deferred due to high water levels. The condensed summer program finished without intersecting kimberlite.

In December 2016, the Company reported that it had received notice from De Beers for the termination of the West Athabasca Kimberlite project option. De Beers' exploration team has interpreted the 85 large magnetic anomalies scattered across the claims to be most likely associated with magnetic minerals within organic material in the overburden. De Beers' drill program in September 2016 tested seven magnetic targets accessible before winter, located mostly in the southern claim groups. It is highly unusual to encounter such magnetic material in organic overburden. Samples from this material were sent to Saskatchewan Research Council (SRC) and McMaster University for analysis and review.

In January 2017, the Company provided detailed imaging from the recent West Athabasca airborne surveys carried out in 2016 under the recently terminated option with De Beers. The images of magnetic anomalies and models are presented on the Company's website along with a description of deeper modeling of kimberlite targets by consultants Scott Hogg and Associates.

In March 2017, the Company reported that it has received all property data from De Beers and have commenced geophysical review of the targets which show potential for pipe-like features. Discussions have commenced with third parties concerning exploration of the targets.

On April 26, 2017, the Company received notice from Fjordland Exploration Inc. for the termination of the West Athabasca Kimberlite project option.

In December 2017, the Company acquired five claim blocks totalling 2,780 hectares in the Western Athabasca Basin northeast of the Carswell structure and close to a large crustal structure, the Grease River Shear Zone for \$1,692. These claims complement the Western Athabasca diamond project, previously optioned by De Beers.

2.2.5 Moon

In March 2017, the Company reported that Denison had completed line cutting in preparation of the DCIP resistivity survey which was scheduled to commence in early April 2017. A second phase drill program was planned for the summer 2017. Work was to be focussed along the CR-3 conductive trend which is located approximately 2 kilometres west of the K-trend which hosts the Gryphon deposit on Denison's adjacent Wheeler River property. An initial hole drilled at Moon South in 2016 (MS-16-01) on the CR-3 trend, near the southern boundary of the Moon South property, intersected 0.1% U₃O₈ over 0.5 metres at the sub-Athabasca unconformity and was encompassed by a significant sandstone alteration and geochemical halo. The CR-3 trend has been interpreted over a distance of approximately five kilometres on the Moon South property and is completely untested to the northeast of drill hole MS-16-01.

In May 2017, the Company received notification that Denison has met the exploration requirement for the first option and has earned 51% legal and beneficial interest in the Moon project.

In June 2017, the Company recognized an impairment on certain of its Moon North claims of approximately \$2,000 as it did not renew its permits on these claims.



2.2.6 Ruttan-Nisku

In March 2017, The Company reported that it has two large geophysical targets adjacent to and northeast of the past producing Ruttan copper-zinc mine. This mine was the third largest mined VMS deposit in Canada (82 million tonnes). A target immediately north of the mine has been outlined by 15 shallow drill holes along a 1.2 kilometre strike length. The next drill program on this target will be to test the VMS horizon between 100 metres and 500 metres depth.

In March 2017, the Company mobilized a diamond drill for two exploratory holes on a further large target located seven kilometres to the east of the North Ruttan zone. This target shows evidence of a large magnetic and conductive target which is believed to be near surface for approximately 1,000 metres.

In May 2017, the Company announced results from the four reconnaissance drill holes at the Nisku target located 7 kilometres east of the Company's North Ruttan copper-zinc property in the Leaf Rapids area of northern Manitoba. Drilling intersected massive iron sulphides between surface and 150 metres depth, with elevated copper mineralization in holes NSK001- NSK002 and NSK003. Drill hole NSK004 located to the east intersected volcanics with minor sulphides. The drilling has set the framework for more detailed interpretation of the zone and the localization of the expected feeder pipes proximal to the massive sulphides and stratigraphic rock package intersected in these first four drill holes.

In June 2017, the Company received \$90,641 from the Mineral Exploration Assistance Program (MEAP) from the Manitoba government for exploration expenditures on the Ruttan project.

2.2.7 Thompson Nickel Belt

In September 2017, the Company reported that it had acquired two mineral exploration licences covering over 16,000 hectares in an area highly prospective for sulphide nickel located 25 kilometres northwest of the town of Thompson and Vale's nickel smelter and mining operations. The land package covers extensive areas of favourable nickel geology identified in historical work by both Inco and Falconbridge. Drill testing of the area ceased in 2005, but an extensive portion of the properties were later flown by next generation VTEM airborne in 2007, providing twenty-nine new targets, six of which are high priority targets within mapped Pipe Formation stratigraphy.

In January 2018, the Company reported it had continued Project Generation activities, with licence acquisitions in the Thompson Nickel Belt. Compilation work has continued and additional targets have been developed on the Strong and Hunter properties. On the Strong property a series of VTEM geophysical anomalies with characteristics similar to nearby nickel deposits have been modeled. Six of these targets are classified as high priority for drill testing. On the Hunter property previous drill intersection of >2% nickel await follow-up. There is extensive ground geophysical survey coverage on the property, and it is planned to integrate this with a further airborne survey in 2018. These two properties are being marketed to third party interests.

In April 2018, the Company reduced its mineral property interest by approximately \$2,000 as the Company was notified by the Manitoba government that the claim area originally requested was reduced.

2.2.8 Manibridge

In March 2018, the Company announced that it had staked 15 claims totalling 3,744 hectares to cover historical nickel and possible cobalt mineralization adjacent to the Manibridge nickel mine in north central Manitoba for \$41,428. The claims cover areas underlain by Opwagan Group east and north of the Manibridge Mine. The Manibridge Mine was an underground nickel mine, operated by Falconbridge Nickel Mine Ltd between 1971 and 1977. The mine had a mineral inventory of 1,409,000 tons (including 15% dilution) at 2.25% Ni, 0.27% Cu to a depth of 1250 feet and recovered grades (including smelting and refining losses) of 1.65% Ni, 0.125% Cu and 0.02% Co.

The geological extension of the Manibridge trend onto the North Manibridge property holds a series of mineralized intersections, including drill holes W50-130 with 9.1m @ 1.7% Ni and W50-124 with 2.6m @ 3.0% Ni. A full compilation of historical data is in progress and will include the data from a VTEM survey flown in 2007 and a GEOTEM survey flown in 1991 which provide geophysical information and some 180 drill holes that will provide the geological setting to develop new targets. Recent drilling near the Manibridge deposit shows that the deposit area is characterised by very high Nickel tenor, but mineralisation intersected further north appear to be associated with higher sulphide contents and may have a higher Cobalt content.

Access to the property is very good from Highway 6 and road to the old Manibridge townsite on Clarke Lake. A programme of core drilling has been planned for the coming winter season. Numerous winter roads give access to the planned drill area.



2.2.9 Alberta Diamond

In September 2016, the Company acquired 2 claim blocks totalling 8,559 hectares located in the Western Athabasca Basin for \$5,135.

In August 2016, the Company reported that it has entered into a contract with Goldak Airborne Surveys to fly a low level high definition airborne magnetics survey over the Company's 100% owned Alberta diamond exploration property.

In March 2017, the Company reported that it has flown 40% of the property with low-level, close spaced airborne magnetics and a number of positive and negative magnetic features have been identified, and modeling is currently being carried out on 30 of the most significant targets.

In March 2018, the Company recognized an impairment on certain of its Alberta Diamond claims of \$5,625 as it did not renew its permits on these claims.

2.2.10 West Carswell

In August 2016, the Company reported that it signed a property option agreement with Canterra Minerals Corporation ("Canterra") for Canterra to acquire up to a 70% interest in the West Carswell property located in the western Athabasca Basin, Saskatchewan. Canterra may earn up to a 70% interest in the property by making payments totaling \$200,000, issuing 3,000,000 common shares and completing work commitments of \$5,000,000. The West Carswell property comprises approximately 4,800 hectares within the west Athabasca Kimberlite trend and is located 10 km northwest of the Cluff Lake Uranium Mine in the Athabasca Basin. The Property encompasses six discrete magnetic anomalies derived from a survey flown in 2010 for the Saskatchewan Geological Survey. These six targets exhibit discrete magnetic lows and are characteristic of magnetic features, thought to be kimberlite pipes, intruding into the thick Athabasca sandstone sequence. A high resolution airborne magnetics survey encompassing 1,770 line km has been commissioned for the property by Canterra.

On May 10, 2017, the Company received notice from Canterra Minerals Corporation for the termination of the West Carswell property option.

2.2.11 Patterson

As per the option agreement with Makena Resources Inc. ("Makena") for our Patterson property, in June 2016, the Company received a cash payment of \$15,000.

On November 4, 2016, the option agreement with Makena for the Patterson property was terminated after completion of a shortened drill program.

2.2.12 Waterbury

In March 2017, The Company reported AREVA as operator of the Waterbury UEM joint venture with Cameco is currently drilling at the Waterbury West property. The Company sold the project to Cameco in early 2016, and the property was transferred to the joint venture. The Company retains a 2% royalty interest.

2.2.13 Fleetwood

In March 2018, the Company sold one claim and entered into a purchase agreement with Inomin Mines Inc. ("Inomin") for \$10,000 cash (received) and 200,000 common shares (received) of Inomin valued at \$19,000.



2.2.14 Other Projects

The Company uses its technical staff between field seasons to evaluate other mineral projects for acquisition, either by staking or by option, with the purpose of sale to third parties. For a full description of the geology and setting of the current projects and of the Company's other projects, reference should be made to the "Projects" section, and accompanying news releases of work on the Company's website at www.canalaska.com.

Table 3:

Other projects update		Status	Recent work undertaken
Alberta Diamond	Seeking Venture Partner		Airborne survey in October 2016
Kasmere	Seeking Venture Partner		Exploration permits issued 2016
Key Lake	Seeking Venture Partner		No significant work undertaken
McTavish	Seeking Venture Partner		No significant work undertaken
Moon	Denison Mines Corp.		First drill hole completed in early 2016
NW Kimberlite	Option with Fjordland and De Beers option terminated in Dec 2016		7 of the 300+ De Beers kimberlite targets tested
Patterson	Seeking Venture Partner. Option with Makena terminated		Two drill holes carried out by Makena
Waterbury	Portion purchased by Cameco		Drill program carried out by Cameco in 2017
Zeballos	Seeking Venture Partner		Consolidating ownership

The Company is restricting its exploration activities on these Other projects until financial markets recover. The Company intends to continue its efforts to seek a venture partner either through a joint venture or sales of its other projects.

In fiscal 2018, the Company recognized an impairment on several of its properties for approximately \$7,000 as it did not renew certain of its claims on these properties. Also during fiscal 2018, the Company acquired mineral property interest in the Cree East, Quesnel, West Athabasca Kimberlite, Fleetwood and Manibridge properties for approximately \$126,000.

CanAlaska maintains 8 other projects in the Athabasca basin and 3 projects in British Columbia. These other projects have value to the Company but are not being actively explored, other than reviews and reporting. A number of these projects are being marketed for sale or joint venture, and the Company hopes to realize increased value in the future.

3. FINANCIAL POSITION AND CAPITAL RESOURCES

3.1 Cash and Working Capital

Table 4: (\$000's)

Cash and Working Capital	Apr-18	Apr-17
Cash and cash equivalents	899	1,197
Prepaid and deposits	67	59
Available-for-sale securities	502	589
Trade and other payables	(210)	(196)
Working capital	1,258	1,649

For analysis and discussion of the movement in cash and cash equivalents reference should be made to section 5 of this MD&A. Reference should be made to note 5 of the consolidated financial statements for further details.

As at April 30, 2018, included within prepaid and deposits is approximately \$5,000 in Goods and Services Tax ("GST") refunds, \$18,000 in prepaid conference and sponsorship expenses, \$8,000 in prepaid insurance, \$3,000 in interest receivable and 27,000 in mineral property application deposits. The decrease in available-for-sale securities is primarily a result of the sale of a portion of our portfolio during the year ended April 30, 2018. The increase in trade and other payables is due primarily to the deferral of a portion of salaries by the Chief Executive Officer and Chief Financial Officer of the Company.



3.2 Other Assets and Liabilities

Table 5: (\$000's)

Other Assets and Liabilities

	Apr-18	Apr-17
Deficiency bonds	72	128
Property and equipment	34	44
Mineral property interests (section 2.2)	184	65

During the fiscal year ended April 30, 2018, the Company forfeited the deficiency bond on our Kasmere project of approximately \$57,000. Also during the fiscal year ended, the Company recognized an impairment on its Moon North, Quesnel and Alberta Diamond projects for approximately \$7,000 as it did not renew certain of its permits for these properties.

During the period, the Company acquired interest in the Cree East claim and acquired claims for the Quesnel, Fleetwood, West Athabasca Kimberlite and Manibridge properties. In July 2017, the Company bought back the 50% interest in the Cree East project earned by the Korean partners Hanwha, KORES, KEPCO and SK for \$85,338. In July 2017, the Company acquired the Fleetwood property by staking 7 blocks of claims totalling 926 hectares for \$258. In December 2017, the Company acquired five additional claim blocks totalling 2,780 hectares in the Western Athabasca Basin northeast of the Carswell structure and close to a large crustal structure, the Grease River Shear Zone for \$1,692 and in April 2018, the Company staked 15 claim blocks totalling 3,744 hectares for \$41,428.

3.3 Equity and Financings

Table 6: (\$000's)

Shareholders' Equity

	Apr-18	Apr-17
Common shares	75,219	74,506
Equity reserve	11,823	11,699
Investment revaluation reserve	172	202
Deficit	(85,666)	(84,521)
Total shareholders' equity	1,548	1,886

Table 7: (000's)

Equity Instruments

	Apr-18	Apr-17
Common shares outstanding	29,672	27,344
Options outstanding		
Number	2,510	2,710
Weighted average exercise price	\$0.43	\$0.38
Warrants outstanding		
Number	3,079	2,140
Weighted average exercise price	\$0.64	\$0.70

Equity instruments

As of July 24, 2018, the Company had the following securities outstanding. Common shares - 31,056,326; Stock options – 2,955,000; and Warrants – 3,684,498.

On June 29, 2018, the Company received TSX Venture Exchange consent to extend the exercise period of a total of 2,000,000 outstanding share purchase warrants, each of which is exercisable for one common share of the Company at a price of \$0.70 per share (collectively, the "Warrants"). The Warrants were issued pursuant to a private placement completed July 8, 2016. The new expiration date of the Warrants is July 8, 2020, provided that if the closing price of the Company's common shares listed on the TSX Venture Exchange exceeds \$1.00/share for 10 consecutive trading days, then at any time thereafter the Company may accelerate the exercise



period of the Warrants to reduce it to a period expiring 10 calendar days after the date express written notice of such acceleration is provided by the Company to the Warrant holders. The exercise price of the Warrants will remain unchanged.

In June 2018, the Company completed a non-brokered private placement and issued 853,276 flow through units at a price of \$0.39 per unit and issued 531,588 units at a price of \$0.34 per unit for gross proceeds of \$513,518. Each flow through unit and ordinary unit consists of one common share and one half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one additional common share for a period of two years from the closing date, at a price of \$0.51 per share, provided that after the four month hold period expires, that if the closing price of the Company's listed shares on the TSX-V exceeds \$0.90 per share for 10 consecutive trading days then thereafter the exercise period of the share purchase warrant will be reduced to a period of 30 calendar days following the date express written notice of such acceleration is provided by the Company to the warrant holder. The Company paid total finder's fee of \$20,292 and issued 52,955 finder's warrants in connection with this placement.

In February 2018, the Company completed a non-brokered private placement and issued 1,722,823 units at a price of \$0.34 per unit for gross proceeds of \$585,760. Each unit consists of one common share and one half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one additional common share for a period of two years from the closing date, at a price of \$0.51 per share, provided that after the four month hold period expires, that if the closing price of the Company's listed shares on the TSX-V exceeds \$0.90 per share for 10 consecutive trading days then thereafter the exercise period of the share purchase warrant will be reduced to a period of 30 calendar days following the date express written notice of such acceleration is provided by the Company to the warrant holder. The Company paid total finder's fee of \$26,418, legal fees of \$10,183 and issued 77,700 finder's warrants in connection with this placement. The finder's warrants issued as part of this placement have been recorded at a fair valued of \$5,791 using the Black Scholes option pricing model.

In July 2016, the Company completed a non-brokered private placement and issued 2,000,000 units at a price of \$0.56 per unit for gross proceeds of \$1,120,000. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share for a period of two years from the closing date, at a price of \$0.70 per share, provided that if the closing price of the Company's listed shares on the TSX-V exceeds \$1.00 per share for 10 consecutive trading days then thereafter the exercise period of the share purchase warrant will be reduced to a period of 10 calendar days following the date express written notice of such acceleration is provided by the Company to the warrant holder. The Company paid total cash finder's fee of \$78,400 and issued 140,000 finder's warrants in connection with this placement. The finder's warrants issued as part of this placement have been recorded at a fair valued of \$109,403 using the Black Scholes option pricing model.

During the year ended April 30, 2018, the Company issued 605,000 common shares from the exercise of stock options for gross proceeds of \$140,650.

Table 8: Proceeds from Financings

Date	Type	Intended Use	Actual Use
July 2016	\$1.1 million – 2,000,000 Ordinary units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
February 2018	\$0.5 million – 1,722,823 Ordinary units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
June 2018	\$0.5 million – 531,588 Ordinary units and 853,276 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended



4. EXPENDITURES REVIEW

Table 9: (\$000's)		Quarterly							Year End	
Quarterly Net Loss & Comprehensive Loss Summary	Q117	Q217	Q317	Q417	Q118	Q218	Q318	Q418	2017	2018
Exploration Cost										
Mineral property expenditures net of Reimbursements	50	155	50	216	(32)	47	42	102	471	159
Mineral property write-offs	90	36	9	214	2	-	-	5	349	7
Recoveries on option payments received	(260)	(206)	-	-	-	-	-	(29)	(466)	(29)
Equipment rental income	-	(7)	-	(1)	-	-	-	-	(8)	-
	(120)	(22)	59	429	(30)	47	42	78	346	137
Other Expenses (Income)										
Consulting, labour and professional fees	277	138	144	161	145	102	117	144	720	508
Depreciation	10	10	10	2	2	3	2	3	32	10
(Gain) loss on disposal of properties and equipment	(2)	(1)	-	(219)	-	-	-	-	(222)	-
Foreign exchange (gain) loss	-	1	-	-	-	-	1	(2)	1	(1)
Insurance, licenses and filing fees	31	30	10	16	26	27	10	15	87	78
Interest income	(1)	(3)	(2)	(3)	(2)	(1)	(1)	(1)	(9)	(5)
Other corporate costs	9	18	8	22	5	19	9	12	57	45
Investor relations and presentations	55	92	54	25	15	51	42	44	226	152
Rent	2	5	5	4	5	5	4	3	16	17
Stock-based payments	-	397	130	-	-	-	147	-	527	147
Travel and accommodation	8	15	14	12	9	14	11	12	49	46
Impairment and loss (gain) on disposal of available-for-sale securities	-	60	15	215	27	15	-	(31)	290	11
Management fees	(4)	(1)	1	-	-	-	-	-	(4)	-
	385	761	389	235	232	235	342	199	1,770	1,008
Net loss for the period	(265)	(739)	(448)	(664)	(202)	(282)	(384)	(277)	(2,116)	(1,145)
Other comprehensive loss										
Items that may be subsequently reclassified to profit or loss:										
Unrealized loss (gain) on available-for-sale securities	(65)	422	(221)	(47)	4	(95)	53	68	89	30
Total comprehensive loss	(200)	(1,161)	(227)	(617)	(206)	(187)	(437)	(345)	(2,205)	(1,175)
Basic and diluted loss per share	(0.01)	(0.03)	(0.02)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	(0.08)	(0.04)

In the fiscal year ended April 30, 2018, the Company spent \$250,000 on exploration costs and recovered \$91,000 from a Mineral Exploration Assistance Program (MEAP) grant from the Manitoba Government for a net mineral property expenditure of \$159,000.

In the fiscal year ended April 30, 2018, the Company recognized mineral property impairments on several of its projects for approximately \$7,000 as the Company did not renew certain of its permits for these particular projects.

During the fiscal year ended April 30, 2018, the Company received option payments totalling \$29,000 from the sale of one claim block of our Fleetwood project. During the fiscal year ended April 30, 2017, the Company received option payments totalling \$466,000. In Q117, the Company received \$5,000 and 4,000,000 common shares of Fjordland Exploration Inc for our West Athabasca Kimberlite property and the Company also received \$15,000 from Makena for our option agreement related to our Patterson project. In Q217, the Company received \$30,000 and 2,000,000 common share of Canterra Minerals Corporation for our West Carswell property.



Camp and other miscellaneous exploration equipment owned by the Company was maintained at our La Ronge warehouse. Equipment rental income is comprised of income from charging exploration projects for the rental of this equipment. In Q217, the rental income is related to the rental of tents and camp supplies to a 3rd party. The La Ronge facility and certain property and equipment was sold on February 2, 2017 for \$310,000.

Consulting, labour, and professional fees are lower in fiscal 2018 than fiscal 2017. The decrease is attributable to several factors. There is a decrease in salaries paid in fiscal 2018 compared to 2017 of approximately \$80,000, director's fees of \$80,000 and legal fees of \$19,000. In fiscal 2018, the Company did not make any cash director fee payments but did grant incentive stock options with a fair value of \$44,577.

Insurance, licenses and filing fees are lower for fiscal 2018 compared to fiscal 2017. The decrease is primarily due to the decrease in the Company's insurance costs in fiscal 2018 and also a decrease in the Company's filing fees in 2018 compared to 2017.

Interest income was lower in 2018 compared to 2017. The decrease was attributed to the decreased cash balances held during the year.

Investor relations expenses were lower in 2018 compared to 2017. The decrease is primarily attributed to the decrease in the use of investor relation consultants.

The share-based payments amount for the year is lower than the amount for the previous year. The decrease was primarily due to the decrease in the fair value calculation on the options granted in fiscal 2018 relative to fiscal 2017. During fiscal 2018, there were 660,000 options granted with an average fair value of \$0.22 per option compared to 1,860,000 options granted with an average fair value of \$0.28 per option in fiscal 2017.

5. CASHFLOW AND LIQUIDITY REVIEW

As of April 30, 2018, the Company had \$0.9 million in cash and cash equivalents and working capital of \$1.3 million and as of April 30, 2017, the Company had \$1.2 million in cash and cash equivalents and working capital of \$1.6 million.

5.1 Operating Activities

The Company's operating activities resulted in net cash outflows of \$0.9 million and \$1.5 million for the fiscal years ended April 30, 2018 and 2017 respectively. Operating activities and costs for fiscal 2018 are lower than fiscal 2017. The decrease was primarily due to the decrease in directors fees paid compared to the prior period along with the Company's continuing efforts to minimize its operating costs in order to conserve its cash reserves.

5.2 Financing Activities

Financing activities resulted in net cash inflows of approximately \$0.7 million and \$1.4 million for the fiscal years ended April 30, 2018 and 2017 respectively. During the fiscal year ended April 30, 2018, the Company completed a non-brokered private placement for net proceeds of \$0.5 million. Also during fiscal 2018, the Company issued 605,000 common shares from the exercise of stock option for proceeds of \$140,650. During the fiscal year ended April 30, 2017, the Company completed a non-brokered private placement for net proceeds of \$1.0 million. Also during fiscal 2017, the Company issued 2,816,750 common shares from the exercise of stock option for proceeds of \$406,448. Currently, junior exploration companies are finding it difficult to seek financing. The Company is working to sell, option or joint venture non-core assets.

5.3 Investing Activities

Investing activities resulted in net cash outflows of \$52,000 and net cash inflows of \$351,000 for fiscal year ended April 30, 2018 and April 30, 2017 respectively. During the fiscal year ended April 30, 2018, the Company acquired several properties in Saskatchewan, Manitoba and British Columbia for approximately \$126,000. The Company also received \$10,000 from the sale of our Fleetwood property and \$65,000 from the sale of available-for-sale securities. During the fiscal year ended April 30, 2017, the Company staked several properties in Saskatchewan, Manitoba and British Columbia for approximately \$16,000. The Company also received \$50,000 related to option agreements and received \$314,000 from the sale of our La Ronge facility and certain property and equipment.

6. OTHER MATTERS

For a full version of the risks and critical accounting estimates and policies reference should be made to the Company's audited consolidated financial statements for the year ended April 30, 2018, which are available on the Company's website at



www.canalaska.com and on SEDAR at www.sedar.com.

6.1 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 year ended April 30, 2018 and 2017 were as follows.

Table 10: (\$000's)

Compensations to Related Parties (\$000's)

	2018	2017
Short-term employee benefits	319	354
Consulting fees	115	172
Directors fees	-	80
Share-based compensation	147	490

The directors and key management were awarded the following share options under the employee share option plan during the fiscal year ended April 30, 2018:

Table 11: Share Option Issuance

Date of grant	Number of options	Exercise price	Expiry
January 25, 2018	660,000	\$0.395	January 25, 2020

6.2 Financing

Due to increasingly difficult market conditions facing junior uranium exploration companies, management is currently in the process of evaluating its priorities and taking steps to streamline non discretionary expenditures. Should management be unsuccessful in its coming exploration programs it may either need to dilute its ownership in its properties and/or secure additional financing to continue to advance the development of its projects.

6.3 Critical Accounting Estimates and Judgments

6.3.1 Share-Based Payment Plan

The Company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees and non-employees as consideration for equity instruments (options) of the Company. The total amount to be expensed is determined by reference to the fair value of the options granted.

The fair value of share-based compensation is determined using the Black-Scholes option-pricing model and management's assumptions as disclosed in note 10 of the audited consolidated financial statements for the year ended April 30, 2018. When a stock option is exercised, the Company recognizes an increase in its share capital equivalent to the consideration paid by the option holder and the fair value amount previously recognized in equity reserve. The fair value of any stock options granted to directors, officers and employees of the Company is recorded as an expense over the vesting period of the options with a corresponding increase in equity reserve.

6.3.2 Mineral Property Interest

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 net acquisition costs incurred to date and do not necessarily represent current or future values of the mineral properties.

6.3.3 Going Concern

The 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. The 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. Refer to section 1.1.

6.4 Disclosure Controls and Internal Control over Financial Reporting

Disclosure controls and procedures ("DC&P") are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. Internal control over financial reporting ("ICFR") is designed to provide reasonable assurance that such financial information is reliable and complete. As at the end of the period covered by this management's discussion and analysis, management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's DC&P and ICFR as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the DC&P were effective to provide reasonable assurance that material information relating to the Company was made known to senior management by others and information required to be disclosed by the Company in its annual filings, interim filings (as such terms are defined under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) or other reports filed or submitted by it under securities legislation were recorded, processed, summarized and reported within the time periods specified in securities legislation. The Chief Executive Officer and the Chief Financial Officer have also concluded that, as of the end of the period covered by this management's discussion and analysis, the Company's ICFR is effective and the ICFR provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. To design its ICFR, the Company used the Internal Control – Integrated Framework (2013) (COSO Framework) published by the Committee of Sponsoring Organizations of the Treadway Commission. There are no material weaknesses in the Company's ICFR. During the year ended April 30, 2018 there were no changes to the Company's ICFR that materially affected, or are reasonably likely to materially affect, the Company's ICFR.

6.5 Forward Looking Statements

Certain statements included in this "MD&A" constitute forward-looking statements, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Company's existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

6.6 New Accounting Standards Adopted

There was no significant accounting standards or interpretation or any consequential amendments required for the Company to adopt effective May 1, 2017.

6.7 Future Accounting Pronouncements

The following revised standards and amendments are effective in future accounting periods with earlier application permitted, except where indicated.



(i) IFRS 9, *Financial Instruments*, addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, that relate to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements.

The main change for liabilities is that, in cases where the fair value option is taken for financial liabilities, the part of the fair value change due to an entity's own credit risk is recorded in other comprehensive income (loss) rather than in net earnings. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company has determined that the new measurement requirements under IFRS 9 are expected to impact the impairment recorded on available-for-sale securities which will result in a reclassification from opening accumulated deficit to accumulated other comprehensive income..

(ii) IFRS 16, *Leases*, addresses accounting for leases and lease obligations. It replaces the existing leasing guidance in IAS 17, *Leases*. The objective of the new standard is to report all leases on the statement of financial position and to define how leases and lease liabilities are measured. IFRS 16 is effective January 1, 2019 with early adoption permitted for companies that also apply IFRS 15, *Revenue from Contracts with Customers*. The Company is currently assessing the impact of IFRS 16.

There are no other IFRS's or International Financial Reporting Interpretations Committee ("IFRIC") interpretations that are not yet effective that are expected to have a material impact on the Company.

6.8 Risk Factors

The Company is engaged in the exploration of mineral properties, an inherently risky business. There is no assurance that funds spent on the exploration and development of a mineral deposit will result in the discovery of an economic ore body. Most exploration projects do not result in the discovery of commercially mineable ore deposits.

6.8.1 Cash Flows and Additional Funding Requirements

The Company has limited financial resources, no sources of operating cash flows and no assurances that sufficient funding, including adequate financing, will be available. If the Company's exploration programs are successful, additional funds will be required in order to complete the development of its projects. The sources of funds currently available to the Company are the sale of marketable securities, the raising of equity capital or the offering of an ownership interest in its projects to a third party. There is no assurance that the Company will be successful in raising sufficient funds to conduct further exploration and development of its projects or to fulfill its obligations under the terms of any option or joint venture agreements, in which case the Company may have to delay or indefinitely postpone further exploration and development, or forfeit its interest in its projects or prospects. Without further financing and exploration work on its properties the Company expects its current 328,131 ha of property to reduce to 283,547 ha by December 31 2018, and 277,838 ha by December 31 2019. The Cree East and West McArthur projects, with current work filings are in good standing for a minimum 10 years from the current date. Refer to section 1.1.

6.8.2 Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Company's future revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of mineral commodities.

6.8.3 Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. The Company has a large land position in the Athabasca Basin, and has carried out extensive exploration, and found multiple targets of interest, but has not defined an economic deposit. Other exploration companies have been successful with the discovery of deposits in the Athabasca, and these companies tend to attract investors away from CanAlaska. CanAlaska relies on the ongoing support of its JV partners to fund their portion of exploration, however additional funding from the current partners is uncertain. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.



6.8.4 Foreign Political Risk

The Company's material property interests are currently located in Canada. Some of the Company's interests are exposed to various degrees of political, economic and other risks and uncertainties. The Company's operations and investments may be affected by local political and economic developments, including expropriation, nationalization, invalidation of government orders, permits or agreements pertaining to property rights, political unrest, labour disputes, limitations on repatriation of earnings, limitations on mineral exports, limitations on foreign ownership, inability to obtain or delays in obtaining necessary mining permits, opposition to mining from local, environmental or other non-governmental organizations, government participation, royalties, duties, rates of exchange, high rates of inflation, price controls, exchange controls, currency fluctuations, taxation and changes in laws, regulations or policies as well as by laws and policies of Canada affecting foreign trade, investment and taxation.

6.8.5 Government Laws, Regulation and Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. In Canada, the issuance of governmental licenses and permits are increasingly being influenced by land use consultations between the government and local First Nations communities. There can be no assurance that the Company will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

6.8.6 Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give an assurance that title to such properties will not be challenged or impugned.

The Company has the right to earn an increased economic interest in certain of its properties. To earn this increased interest, the Company is required to make certain exploration expenditures and payments of cash and/or Company shares. If the Company fails to make these expenditures and payments, the Company may lose its right to such properties and forfeit any funds expended up to such time.

6.8.7 Estimates of Mineral Resources

The mineral resource estimates used by the Company are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally or commercially exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

6.8.8 Key Management

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The success of the Company is largely dependent on the performance of its key individuals. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

6.8.9 Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares and the amount of financing that can be raised by the Company.

**6.8.10 Foreign Currency Exchange**

A small portion of the Company's expenses are now, and are expected to continue to be incurred in foreign currencies. The Company's business will be subject to risks typical of an international business including, but not limited to, differing tax structures, regulations and restrictions and general foreign exchange rate volatility. Fluctuations in the exchange rate between the Canadian dollar and such other currencies may have a material effect on the Company's business, financial condition and results of operations and could result in downward price pressure for the Company's products or losses from currency exchange rate fluctuations. The Company does not actively hedge against foreign currency fluctuations.

6.8.11 Conflict of Interest

Some of the Company's directors and officers are directors and officers of other natural resource or mining-related companies. These associations may give rise from time to time to conflicts of interest. As a result of such conflict, the Company may miss the opportunity to participate in certain transactions.

7. ANNUAL FINANCIAL INFORMATION

The following tables sets out a summary of the Company's results:

Table 12: (\$000's) Selected Annual Information	2016	2017	2018
Net earnings (loss)	(1,642)	(2,116)	(1,145)
Net earnings (loss) per-share and Net earnings (loss) diluted per share	(0.07)	(0.08)	(0.04)
Total assets	2,278	2,082	1,758
Cash dividends declared	-	-	-