

CanAlaska Uranium Ltd.

Toronto Stock Exchange (TSX): CVV

FOR IMMEDIATE RELEASE

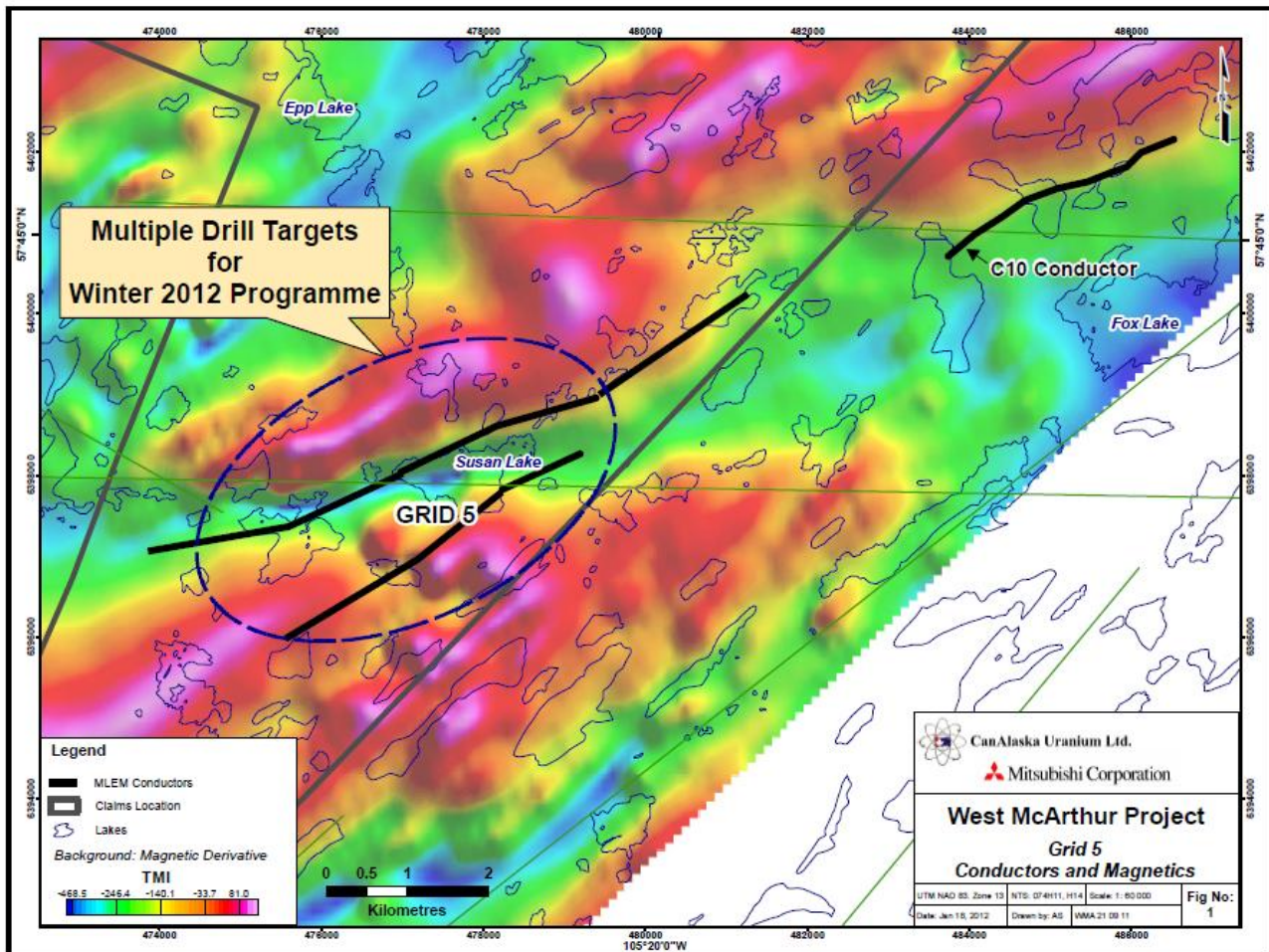
NEWS RELEASE

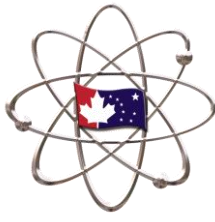
CanAlaska Uranium Commences 2012 Drill Programs

Vancouver, Canada, Jan. 23rd, 2012 - CanAlaska Uranium Ltd. (TSX – CVV) (“CanAlaska” or the “Company”) is carrying out two major programs totalling over 14,000 metres of drilling exploration this winter at its West McArthur and Cree East uranium projects in Canada’s Athabasca Basin. The West McArthur project is a 50/50 joint venture between the Company and MC Resources Canada Ltd., a subsidiary of Japan’s Mitsubishi Corporation. The Cree East project is a 50/50 joint venture between the Company and a Korean consortium comprising Hanwha Corp., Korea Resources Corp. (KORES), Korea Electric Power Corp. (KEPCO) and SK Networks.

West McArthur Project:

A program of 6,800 metres in seven diamond drill holes has been laid out within the Grid 5 target area, located near Epp





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Lake in the centre of the project area. Camp access has been constructed and drilling with two drills is expected to commence by January 30th, 2012. The Company has carried out extensive ground geophysical work in this area over the past two years and has defined a series of conductors and multiple areas of low resistivity in the sandstone, suggestive of possible clay alteration. These clay-altered “breaches” in the sandstone cover are typical for all the known major uranium deposits in the Athabasca Basin. The geophysical targets in this area are supported by sub-anomalous lake sediment and surface sandstone boulder geochemistry, together with a few inferred geological structures.

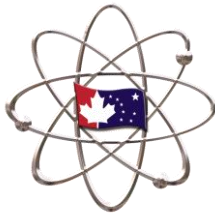
The Grid 5 targets lie along a basement conductor, which appears to trend to the east into the Fox Lake - C10 conductor, which Cameco Corporation describes under its adjacent [Read Lake project](#) as showing “potential of hosting a significant deposit” with “significant mineralization found 90 to 150 metres above unconformity” from a total of 8 holes drilled in 2008 along the C10 conductor.

Cree East Project:

Winter geophysical survey work commenced on the Cree East project in December 2011, and was completed early in January 2012. Diamond drilling of 7,600 metres in 18 drill holes within Zones A, B, C, D, G, I, and J with two drills is due to commence on January 25th, 2012. Crews are currently setting-up the camp and preparing drill site access.

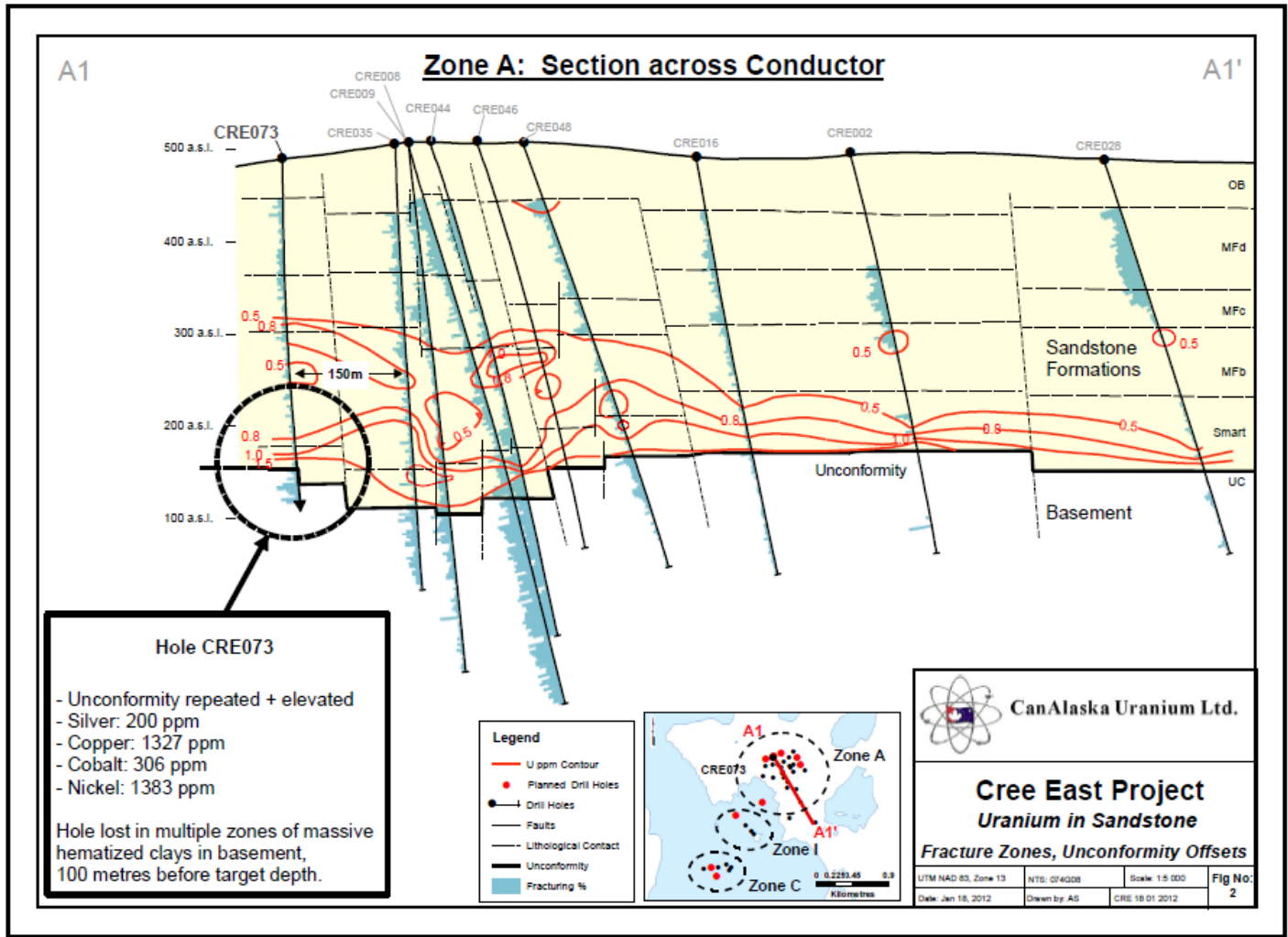
The main drill targets on the Cree East project have been defined by previous drill programs, the most recent significant drill hole being CRE073, which was lost in a highly-altered zone of strongly hematized massive clay in basement rock at Zone A. This hole was a 100-metre step out to the northwest of holes CRE035 and CRE037. Within this immediate area all previous drill-holes have located major fault offsets, with hematization and clay alteration both in the sandstone and basement units. In CRE073, the basement was intersected 40-50 metres higher than expected and the drill hole cut a repetition of the sandstone, in what is thought to be a reverse fault, but the drill hole was lost at a major clay zone, approximately 100 metres from its target depth. The analyses of drill core samples show elevated silver (see [News Release - August 30, 2011](#)), associated with elevated copper, cobalt, nickel, zinc and minor uranium mineralization in the basement clay zones and in the associated pegmatites and pelites. The target will be one of the first drill holes of the 2012 program.

This CRE 073 drill intersection is depicted on cross-section A-A' below (Fig 2). The section shows that the uranium halo (including anomalous nickel, arsenic and lead) in the sandstone reaches more than 100 metres above the unconformity.



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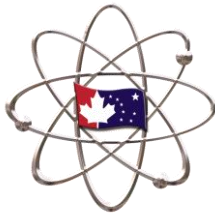
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Further areas of co-incident low resistivity in the sandstone of these areas have been outlined by geophysical surveys and represent the prime targets for drill-testing under the newly approved budget.

President Peter Dasler commented: “At both West McArthur and Cree East, we are working on two physically large projects with multiple significant targets. These targets are now being progressively tested by drill programs. On each project, we have the strong support and financing of our major international joint venture partners. Our crews are very experienced in the work that they are doing, and Company management is confident that they have the ability to complete this work successfully. Our prime targets match the features characteristic of major zones of uranium mineralization elsewhere in the Athabasca Basin, and our significant knowledge gained from previous drill programs provide us with the confidence for the current programs to be very successful.”

Peter Dasler, M.Sc., P Geo. is the qualified technical person responsible for this news release.



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About CanAlaska Uranium

CANALASKA URANIUM LTD. (CVV -- TSX, CVVUF -- OTCBB, DH7F -- Frankfurt) is undertaking uranium exploration in twenty one uranium projects in Canada's Athabasca Basin -- the "Saudi Arabia of Uranium". Since September 2004, the Company has aggressively acquired one of the largest land positions in the region, comprising over 2,500,000 acres (10,117 sq. km or 3,906 sq. miles). To-date, CanAlaska has expended over Cdn\$75 million exploring its properties and has delineated multiple uranium targets.

For more information, visit www.canalaska.com

On behalf of the Board of Directors

Peter Dasler, M.Sc., P.Geo., President & CEO,
CanAlaska Uranium Ltd.

Contact:

Emil Fung, Director & V.P. - Corp. Dev.

Tel: +1.604.688.3211 x318

Email: info@canalaska.com

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