CanAlaska Uranium Ltd.

CVV - TSX-V CVVUF - OTCBB DH7N – Frankfurt

Management Discussion and Analysis For the Fourth Quarter and Year Ended April 30, 2021

Dated July 20, 2021

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, 2021.

Table of Contents:

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 9 projects covering 168,000 hectares focused on Uranium, 1 project covering 52,000 hectares focused on Diamonds and 7 projects covering 30,000 hectares focused on nickel, copper and other minerals (section 1.1)
- ✓ Cash and cash equivalent resources of $7.0 million (as at April 30, 2021)
- ✓ 83,528,375 common shares issued and outstanding (July 20, 2021)

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 the exploration for copper/nickel in the same region. There are several projects on which the Company has expended recent efforts. The West McArthur project is under a joint venture 30% 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, the NW Manitoba project is under option to Northern Uranium Corp ("Northern Uranium") and the Quesnel project under option to Omineca Mining and Metals Ltd. Going forward it is expected that the Company will focus its effort on West McArthur, Cree East 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	Joint Venture with Cameco Corporation	36,000
Cree East	Seeking Venture Partner.	58,000
NW Manitoba	Joint Venture with Northern Uranium Corp.	23,000
Moon South	Joint Venture with Denison Mines	3,000
Hunter and Strong	Seeking Venture Partner	19,000
Manibridge	Option Agreement with D Block Discoveries Inc.	4,000
Quesnel	Option Agreement with Omineca Mining and Metals Ltd	1,000
NE Wollaston	Seeking Venture Partner	40,000
West Athabasca Kimberlite	Seeking Venture Partner.	52,000

The Company's exploration activities are managed through CanAlaska offices 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 $83 million of the total equity of $93.5 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

- Complete equity financing options over the next months
- Targeted marketing of uranium projects for financing
- Targeted marketing of non-core projects
- 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 19, 2021, the Company had 83,528,375 shares outstanding with a total market capitalization of $36.3 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 have been prepared under International Financial Reporting Standards ("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, 2021, the Company reported a loss of $3.8 million and as at that date had cash and cash equivalents of $7.0 million, net working capital balance of $7.5 million and an accumulated deficit of $93.5 million.

The Company does not generate recurring revenues from operations and other factors 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 from April 30, 2021. 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, 2020 to July 20, 2021

- CanAlaska provides update on Manitoba Nickel projects (June 2021)
- CanAlaska stakes fifth Thompson Nickel Belt project (June 2021)
- CanAlaska stakes fourth Thompson Nickel Belt project (April 2021)
- CanAlaska completes initial drilling at Waterbury (April 2021)
- CanAlaska announces LOI with D Block Discoveries on Manibridge Nickel project (March 2021)
- CanAlaska commences drilling for uranium at Waterbury project (March 2021)
- Drilling commences at CanAlaska's copper-gold project (January 2021)
- CanAlaska prepares for three separate drill programs (November 2020)
- CanAlaska adds to NE Wollaston uranium project (October 2020)
- CanAlaska options Quesnel porphyry copper project in BC to Omineca Mining and Metals Ltd (September 2020)
- New uranium target discovered on Moon JV (June 2020)
- CanAlaska identifies new target in NE Athabasca (May 2020)
- CanAlaska stakes four large target areas in NE Athabasca (May 2020)
- CanAlaska executes $9 million Thompson Nickel Deal (May 2020)

2.2 Project Updates

Overview
The Company currently has 16 projects within the Athabasca basin area. The majority of fiscal 2021 exploration spend was carried out on the Company's Waterbury project. The Company also carried out work on the West McArthur project, which was under an option to Cameco and is now under a 30% joint venture with Cameco. In fiscal 2021, the Company spent approximately $0.8 million on exploration.

Exploration spending in the fourth quarter of 2021 is down from the same comparative quarter of 2020. The overall decrease in fiscal 2021 compared to fiscal 2020 is largely due to exploration activities for the Manibridge, West Athabasca Kimberlite and West McArthur properties. During the fiscal year ended April 30, 2020, the Company had a drilling program at West McArthur which accounted for the majority of the exploration spend during the year.

The following table summarizes the Company's expenditures net of reimbursements for the year ended April 30, 2021.

Table 2: ($000's) Total Exploration	**West McArthur**	**Waterbury**	**Manibridge**	**Other Athabasca Projects**	**Other and Generative Projects**	**Total**
Camp Cost & Operations	26	41	-	-	-	67
Drilling	-	405	-	-	-	405
General & Admin	33	37	12	51	86	219
Geochemistry	1	1	-	-	-	2
Geology	30	6	4	12	25	77
Geophysics	2	2	-	32	26	62
Other	1	-	-	-	5	6
Gross Expenditures	**93**	**492**	**16**	**95**	**142**	**838**
Reimbursement	-	-	-	-	(54)	(54)
Net Expenditures	**93**	**492**	**16**	**95**	**88**	**784**

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. In October 2018, the Company entered into a 30/70 joint venture agreement with Cameco Corporation.

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 property has undergone a series of exploration programs, including extensive geophysics and drilling since 2005.

In May 2019, the Company reported that drill and camp contracts have been awarded for the summer drill program at the West McArthur uranium project. The program is intended to locate high-grade uranium hosted in faults along the C10 horizon, the major regional fault structure. Two previous drill holes intersected high-grade uranium - up to 5% U3O8 - just west of the projection of the C10 horizon and near the unconformity contact. CanAlaska believes the controlling structure of this high-grade mineralization has yet to be intersected in drilling. The summer drill program is being operated by CanAlaska, and follows on the three-year target definition by Cameco's drill team.

In June 2019, the Company reported that drilling has commenced at the West McArthur uranium project to expand current high grade uranium mineralization discovered in holes drilled by Cameco during their recent work program on the property. The program is intended to locate high-grade uranium hosted in faults along the C10 horizon, the major regional fault structure.

In September 2019, the Company reported that summer drilling was completed at the West McArthur uranium project. The unconformity related uranium mineralization intersected in Cameco's discovery holes WMA042 and WMA042-2, has been extended 50 metres to the south and 200 metres to the west and tied to down-hole geophysics imaging of the C10 conductor package. With downhole geophysics we have now located the C10 conductor horizon, approximately 100 metres south of the original high-grade discovery. There is highly elevated uranium, lead, cobalt, boron, nickel and copper in the mineralization and associated alteration halos in all of the drill holes where assays have been received to date. The program has successfully extended the discovery footprint of holes drilled by Cameco during their recent work programs on the property.

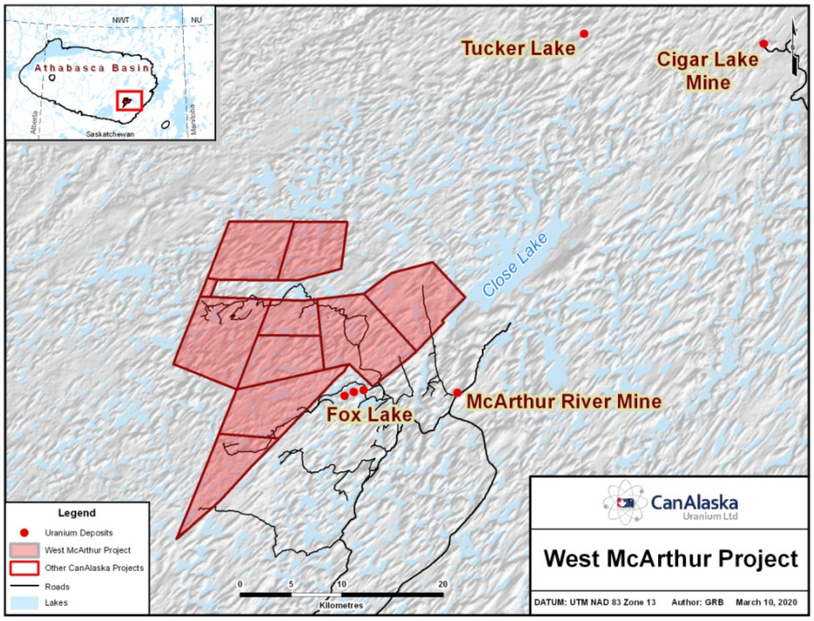
In October 2019, the Company reported high-grade uranium in final assay data for the recent drill program at the West McArthur uranium project. The mineralization containing high uranium, as well as base metal mineralization, is similar in character to the nearby high-grade Fox Lake uranium deposit of Cameco and Orano. Assay data for the latest drill holes, in particular for drill hole WMA055-2, has upgraded earlier U3O8 values up to 7.95%.

In October 2019, the Company reported that the latest West McArthur high-grade drill results include 6.8% U3O8 over 0.70 metres within a broad 650 metre by 400 metre geochemical halo – extending from bedrock to near-surface – provide strong support for continued drilling of the Grid 5 target zone in 2020.

In January 2020, the Company reported that crews resumed drilling at the West McArthur uranium project. The 2019 drill program successfully extended the discovery footprint of holes drilled by Cameco during their recent work programs on the property. The mineralization, containing high-grade uranium as well as base metal mineralization, is similar in character to the nearby high-grade Fox Lake uranium deposit of Cameco and Orano. Drilling in the winter will focus on a 300 metre length of the C10 conductor where current drilling has indicated the presence of a strong hydrothermal system and a well mineralized target.

In April 2020, the Company reported that crews were able to complete four drill holes from a planned six hole winter program at the West McArthur uranium project. Assays and data from the drill holes continue to show abundant structures in the sandstone above the unconformity near a large, yet to be tested, target. The last hole of the program WMA060, together with holes WMA054 and WMA058, confirms the model of a proximal mineralizing feeder zone oriented in a north to north-west direction.

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.

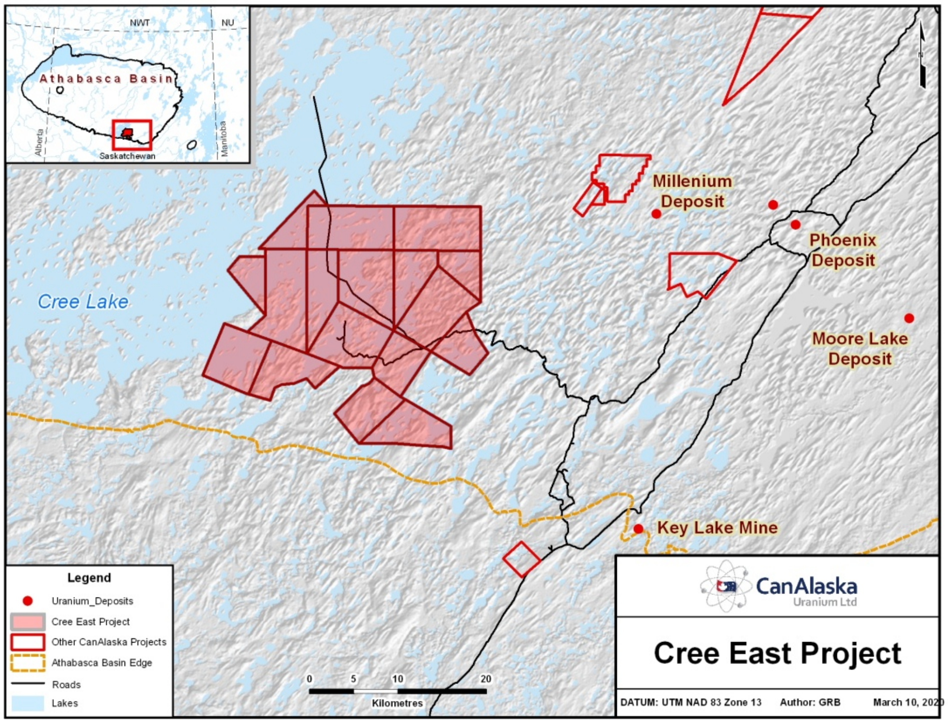
The project area covers Athabasca group conglomerates and sandstones. Sandstone unconformity overlies basement at depths in the order of 200 to 300 metres in the south. Structural breaks which trend across the across the property further drop the basement to estimated depths of 800 to 900 metres across 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 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 - Northern Uranium Corp.

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 with Northern Uranium Corp. (previously MPVC Inc.) for an interest in the NW Manitoba project. And 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 West Athabasca Kimberlite

In March 2020, the Company recognized an impairment on its West Athabasca Kimberlite claims of $689 as it did not renew certain of its permits on these claims.

2.2.5 Moon

In April 2020, the Company received notification that Denison has met the exploration requirement for the second option and has earned 75% legal and beneficial interest in the Moon project.

In June 2020, the Company announced the results of winter field operations by JV operator Denison on the Moon Joint Venture. For this program, 126 kilometre of SWML Electromagnetic survey was undertaken to define the 5 kilometre long ground expression of the CR-3 conductor. In 2016, the first drill hole into this horizon successfully intercepted uranium mineralization at the unconformity. The target had previously been identified by airborne surveys and an earlier reconnaissance ground geophysical survey. Denison has now completed its option to earn a 75% interest in the property and form the Joint Venture by completing the winter program.The CR-3 conductor is interpreted to be a parallel trend to the K-Zone, host to Denison's Gyphon deposit on the Wheeler River Project.

2.2.6 Manibridge

In June 2019, the Company reported final laboratory assays for the high-grade sulphide nickel mineralization intercepted in the winter drill program at Manibridge, Manitoba. All four holes on the North Manibridge Zone returned upgraded assay results and lengths, with high-grade nickel up to 12.06% over 0.95 metre contained within semi-massive and disseminated sulphide mineralization.

In October 2019, the Company reported drilling intersected high-grade mineralization – up to 12% Ni – at the north zone. Compilation of historical drill-hole data from the newly acquired Manibridge mine property has identified multiple new exploration targets and that follow-up drilling is warranted for discovery of high-grade sulphide nickel deposits in 2020.

In March 2021, the Company announced that it had entered into a Letter of Intent with D Block Discoveries Inc to earn up to 100% interest in the Manibridge Nickel project in Manitoba. D Block Discoveries Inc. may earn up to a 100% interest in the project by undertaking work and payments in three defined earn-in stages.

In June 2021, the Company provided an update on its claims and mineral licences within the northern and southern portions of the Thompson Nickel Belt. At the Manibridge nickel project, a new funding option is now in place with D Block Discoveries Inc. D Block may earn a 100% interest in the project by undertaking work totalling $4.0 million, making cash payments totalling $180,000 and issuing $275,000 worth of common shares plus additional issuances totalling 6,500,000 common shares in three defined earn-in stages over a 36 month period.

2.2.7 Hunter

In February 2020, the Company staked 1 claim block totalling 10,065 hectares for $5,010.

In June 2020, the Company received $25,000 cash and 1,000,000 common shares of Fjordland pursuant to an option agreement dated April 28, 2020 with Fjordland for the Hunter and Strong properties. As a result, the Company recovered $26,265 of its mineral property interest costs.

In June 2021, the Company announced that it had resumed 100% control of the Hunter and Strong nickel projects on termination of the option agreement with Fjordland Exploration Inc. due to unexpected delays in the permitting. Because of the delay, the Company and Fjordland mutually agreed to terminate the agreement and the Company returned 1,000,000 common shares of Fjordland that was issued as part of the option agreement.

2.2.8 Quesnel

In February and March 2020, the Company recognized an impairment on certain of its Quesnel claims of $134 as it did not renew its permits on these claims.

In September 2020, The Company announced that it had entered into an option agreement with Omineca Mining and Metals Ltd ("Ominica) to allow Omineca to earn a 50% interest in the Company's 100% owned Quesnel porphyry copper project in British Columbia. Omineca may earn up to a 50% interest in the project by issuing 300,000 common shares of Omineca and by completing a 2,000-metre drill diamond program within 12 months of the TSX Venture Exchange approval date. The Quesnel project is centered on Mouse Mountain which has a hydrothermal system with copper-gold mineralization spread over a large area associated with typical copper porphyry style alteration.

In October 2020, the Company received 300,000 common shares of Omineca pursuant to an option agreement dated August 20, 2020 with Omineca for the Quesnel property. As a result, the Company recovered $1,522 of its mineral property interest costs.

In January 2021, the Company announced that Omineca Mining and Metals Ltd. ("Omineca") had commenced diamond drilling at the Company's 100% owned Mouse Mountain porphyry copper-gold project near Quesnel, British Columbia. A 1,600-metre drilling program will test multiple copper-gold targets along a large 1.5-kilometre zone defined by earlier exploration. Omineca can earn a 50% interest in Mouse Mountain by incurring 2,000 metres of diamond drilling and issuing 300,000 shares to CanAlaska. The project is centered on Mouse Mountain, 12km east of Quesnel, BC. The geology hosts a hydrothermal system with copper-gold mineralization spread over a large area – over 1.5km along strike – associated with typical copper porphyry style alteration. Additional smaller copper showings extend further out from this system indicating potential for a large-scale porphyry copper and gold system.

2.2.9 Thompson Nickel Belt/Strong

In June 2019, the Company recognized an impairment on certain of its Thompson Nickel Belt claims of approximately $4,000 as it did not renew its permits on these claims.

In February 2020, the Company announced that it had entered into a Letter of Interest("LOI") with Fjordland Exploration Inc. to allow Fjordland to earn up to 80% interest in CanAlaska's 100% owned North Thompson Nickel project in Manitoba. Fjordland may earn up to 80% interest in the project by undertaking work and payments in three defined earn-in stages. Fjordland may earn an initial 49% interest in the project by paying the Company $25,000 cash, issue 1,000,000 common shares of Fjordland, and incur $1,500,000 in exploration expenditures within 18 month of TSX Venture Exchange approval date. Fjordland may earn an additional 21% interest by paying $50,000 cash, issue a further 1,500,000 common shares, and incur an addition $2,500,000 in exploration expenditures within 24 months of entering the stage 2 option. Fjordland may earn an additional 10% by paying $75,000, issue a further 6,000,000 common shares, and incur an additional $5,000,000 in exploration expenditures in the project within 24 month of entering stage 3 of the option.

In May 2020, the Company announced that it had entered into an option agreement with Fjordland Exploration Inc. which allows Fjordland to earn up to 80% interest in the Company's North Thompson Nickel project in Manitoba for exploration expenditures of $9 million, 8.5 million common shares (1,000,000 common shares received) of Fjordland and $150,000 cash ($25,000 received).

In June 2020, the Company received $25,000 cash and 1,000,000 common shares of Fjordland pursuant to an option agreement dated April 28, 2020 with Fjordland for the Hunter and Strong properties. As a result, the Company recovered $3,486 of its mineral property interest costs.

In June 2021, the Company announced that it had resumed 100% control of the Hunter and Strong nickel projects on termination of the option agreement with Fjordland Exploration Inc. due to unexpected delays in the permitting. Because of the delay, the Company and Fjordland mutually agreed to terminate the agreement and the Company returned 1,000,000 common shares of Fjordland that was issued as part of the option agreement.

2.2.10 NE Wollaston

In May 2020, the Company announced that it has staked 29,671 hectares of land (114 square miles) in four large blocks in the Eastern Athabasca focusing on regional structures, similar to those hosting the nearby high-grade Collins Bay-Eagle Point uranium deposits for $16,832. The new claim blocks which are currently secured for two years, cover defined targets along the interpreted location of the Collins Bay Fault and the Maguire Fault structures.

In May 2020, the Company announced that compilation work on the newly acquired NE Wollaston project had identified two significant new uranium targets. The targets are outlined by coincident electromagnetic (EM) and gravity anomalies, one of which is closely associated with an altered surface rock sample containing 1.41% U3O8. Coincident EM "bright-spots" and gravity anomalies are characteristics of the nearby Eagle Point and O2 Next uranium deposits. The Company's NE Wollaston project extends along the prolific Collins Bay fault system, host to the nearby Tier-1 Rabbit Lake, Collins Bay and Eagle Point uranium mines.

In October 2020, the Company announced that it had staked 9,450 hectares of land in two large blocks in the Eastern Athabasca. The new claims focus on the southwest extension of the Maguire regional fault. The NE Wollaston project is an extensive landholding that extends along the prolific Collins Bay fault system which is host to the nearby Tier 1 Rabbit Lake, Collins Bay and Eagle Point uranium mines.

2.2.11 McTavish

In March 2020, the Company staked 1 claim block of 2,209 hectares in Saskatchewan approximately 50 kilometres of the McArthur River Mine for $1,325.

2.2.12 Alberta Diamond

In March 2020, the Company recognized an impairment on certain of its Alberta Diamond claims of $539 as it did not renew its permits on these claims.

In July 2020, the Company wrote down its Alberta Diamond property for $711 as it did not renew its permits.

2.2.13 Waterbury

In March 2021, the Company mobilized drill crews to the Waterbury uranium project to test targets near previously drilled holes, which show significant alteration and uranium values, in proximity to untested geophysical targets. The program will consist of approximately 1,500 metres of drilling in four drill holes.

In April 2021, the Company reported that it had curtailed winter drilling on it 100% owned Waterbury uranium project. Late permitting and warming weather conditions hampered activities. Only half of the planned winter program was completed. Three drill holes were completed on the South claim, and none on the East. The focus was to test targets near previously drilled holes which showed significant alteration, uranium values and untested geophysical targets on both the East and South Waterbury claims.

2.2.14 Resting

In April 2021, the Company announced that it had staked several new claim blocks at Resting Lake in the southern Thompson Nickel Belt, near Wabowden, Manitoba. The claims cover and surround known mineralized zones as well as untested target horizons, south of the Wabowden nickel mines. The new claims cover the majority of the Resting Lake structure, which is a 15-kilometre long synclinorium of Ospwagan Group sediments. The claims cover thirty ultramafic lenses within the prospective Pipe Formation. In the Thompson Nickel Belt, the maximum potential for high-grade nickel mineralization resides in association of ultramafic and Pipe Formation rocks.

2.2.15 Halfway Lake

During the year ended April 30, 2021, the Company staked 8 claim blocks totaling 1,876 hectares in the eastern Athabasca for approximately $20,000. Manitoba. The claims cover known mineralized nickel zones and are adjacent to the Halfway Lake nickel deposit owned by CaNickel. All of the claims are located close to highway 391 and benefit from adjacent rail and power infrastructure.

In June 2021, the Company also completed the first pass exploration targeting on its two newly acquired Resting and Halfway Lake nickel projects. The Resting airborne survey received $23,820 of funding from the Manitoba government through the Manitoba Mineral Development Fund (MMDF) program.

2.2.16 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**
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	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

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 2021, the Company recognized an impairment on its Alberta Diamond claim of approximately $1,000 as it did not renew its permit on this property. Also during fiscal 2021, the Company acquired mineral property interest in the NE Wollaston, Resting, Halfway Lake and Quesnel properties for approximately $61,000.

CanAlaska maintains 16 other projects in the Athabasca basin and 1 project 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-21**	**Apr-20**
Cash and cash equivalents	7,016	1,611
Prepaid and deposits	130	121
Equity securities	669	254
Trade and other payables	(172)	(154)
Deferred flow-through premium	(150)	-
Working capital	**7,493**	**1,832**

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, 2021, included within prepaid and deposits is approximately $45,000 in Goods and Services Tax ("GST") refunds, $58,000 in prepaid market related services expenses, $9,000 in prepaid insurance and $8,000 in mineral property application deposits. The increase in equity securities is primarily a result of the receipt of 1,000,000 shares of Fjordland and 300,000 shares of Omineca during the period pursuant to 2 separate options agreements. The increase is also attributable to an increase in the market value of the Company's portfolio of equity securities at period end. The minor increase in trade and other payables is consistent with the corporate activities compared with the fourth quarter of 2020. The Company will need to expend a further $918,000 of Canadian exploration expenditures by March of 2023in order to recognize the remaining deferred flow-through premium of approximately $150,000 as at April 30, 2021.

3.2 Other Assets and Liabilities

Table 5: ($000's) **Other Assets and Liabilities**	**Apr-21**	**Apr-20**
Reclamation bonds	49	49
Property and equipment	76	44
Mineral property interests (section 2.2)	406	376

During the fiscal year ended April 30, 2021, the Company recognized an impairment on its Alberta Diamond property of approximately $1,000 as it did not renew its permits for this property. Also during the period, the Company received $25,000 cash and 1,000,000 common shares of Fjordland Exploration Inc. pursuant to an option agreement for the Hunter and Strong properties which resulted in the Company recovering approximately $26,000 of it mineral property interest costs. Also during the period, the Company received 300,000 common shares of Omineca Mining and Metals Ltd. pursuant to an option agreement for the Quesnal project which resulted in the Company recovering approximately $2,000 of it mineral property interest costs. The Company also staked several claim blocks totalling 43,336 hectares in the eastern Athabasca for $60,291 and 2 claim blocks in British Columbia for $987 during the period.

3.3 Equity and Financings

Table 6: ($000's) **Shareholders' Equity**	**Apr-21**	**Apr-20**
Common shares	86,265	79,600
Equity reserve	16,805	14,326
Investment revaluation reserve	(1,506)	(1,851)
Deficit	(93,540)	(89,774)
Total shareholders' equity	**8,024**	**2,301**

Table 7: (000's) **Equity Instruments**	**Apr-21**	**Apr-20**
Common shares outstanding	**86,368**	79,600
Options outstanding		
Number	**6,855**	5,220
Weighted average exercise price	**$0.49**	$0.27
Warrants outstanding		
Number	**30,951**	23,215
Weighted average exercise price	**$0.52**	$0.55

Equity instruments

As of July 20, 2021, the Company had the following securities outstanding. Common shares – 83,528,375; Stock options – 7,945,000; and Warrants – 29,500,565.

In May and June 2021, the Company issued 870,000 common shares from the exercise of stock options and 1,450,452 common shares from the exercise of warrants for total gross proceeds of $782,461.

During the year ended April 30, 2021, the Company issued 2,141,026 common shares from the exercise of share purchase warrants for total gross proceeds of $777,960.

During the year ended April 30, 2021, the Company issued 3,650,000 common shares from the exercise of stock options for total gross proceeds of $1,074,750.

On March 26, 2021, the Company closed the second and final tranche of its non-brokered private placement and issued 1,165,000 flow-through units for gross proceeds of $745,600 and 2,488,800 non flow-through units for gross proceeds of $1,244,400, for total gross proceeds of $1,990,000. Each flow-through unit was sold at a price of $0.64 and consisted of one flow-through common share and one-half common share purchase warrant. Each unit was sold at a price of $0.50 and consisted of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.75. In connection with this second and final tranche financing, the Company paid a total of $144,644 in finder's fees, legal and filing fees of $59,549 and issued a total of 263,192 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.75/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $60,525 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $116,500

On March 12, 2021, the Company closed the first tranche of its non-brokered private placement and issued 156,250 flow-through units for gross proceeds of $100,000 and 1,842,000 non flow-through units for gross proceeds of $910,000, for total gross proceeds of $1,010,000. Each flow-through unit was sold at a price of $0.64 and consisted of one flow-through common share and one-half common share purchase warrant. Each unit was sold at a price of $0.50 and consisted of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.75. In connection with this first tranche financing, the Company paid a total of $20,400 in finder's fees and issued a total of 38,175 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.75/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $6,755 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $27,344.

On December 23, 2020, the Company completed a non-brokered private placement and issued 1,633,713 flow-through units for gross proceeds of $620,811 and 4,921,714 non flow-through units for gross proceeds of $1,378,080, for total gross proceeds of $1,998,891. Each flow-through unit was sold at a price of $0.38 and consists of one flow-through common share and one-half of one transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.28 and consists of one common share and one-half of one transferable warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 2 years at a price of $0.55. In connection with this financing, the Company paid cash finder's fees of $111,229, legal and filing fees of $35,570 and issued a total of 347,235 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.55/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $59,735 using the Black Scholes option pricing model. No flow-through premium was recorded as the flow-through unit price was less than the market price of the Company's common shares on the December 23, 2020.

On November 9, 2020, the Company closed the second and final tranche of its non-brokered private placement and issued 762,409 flow-through units for total gross proceeds of $167,729.98. Each flow-through unit was sold at a price of $0.22 and consisted of one flow-through common share and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.28. In connection with this second and final tranche financing, the Company paid a total of $8,704.20 in finder's fees, legal and filing fees of $20,899 and issued a total of 39,564 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.28/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $2,777 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $22,872. As the Company has incurred approximately $685,683 of exploration expenditures related to the flow-through financing, it has recognized $16,867 of the $22,872 flow-through premium in the consolidated statement of net loss and comprehensive loss.

On November 2, 2020, the Company closed the first tranche of its non-brokered private placement and issued 2,682,136 flow-through units for gross proceeds of $590,069.92 and 2,211,000 non flow-through units for gross proceeds of $442,200, for total gross proceeds of $1,032,269.92. Each flow-through unit was sold at a price of $0.22 and consisted of one flow-through common share and one common share purchase warrant (a "Warrant"). Each unit was sold at a price of $0.20 and consisted of one common share and one Warrant. Each Warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.28. In connection with this first tranche financing, the Company paid a total of $53,404.20 in finder's fees, legal and filing fees of $12,583 and issued a total of 250,927 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.28/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $19,910 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $40,232. As the Company has incurred approximately $685,683 of exploration expenditures related to the flow-through financing, it has recognized $40,232 of the $40,232 flow-through premium in the consolidated statement of net loss and comprehensive loss.

On January 20, 2020, the Company completed a non-brokered private placement and issued 3,826,250 non flow-through units for gross proceeds of $612,200. Each non flow-through unit was sold at a price of $0.16 and consists of one common share and one-half of one transferable warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of $0.40. In connection with this financing, the Company paid cash finder's fees of $902, legal and filing fees of $18,282 and issued a total of 5,640 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.40/share for three years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $194 using the Black Scholes option pricing model.

On December 30, 2019, the Company completed a non-brokered private placement and issued 6,190,889 flow-through units for gross proceeds of $1,176,269 and 840,000 non flow-through units for gross proceeds of $134,400, for total gross proceeds of $1,310,669. Each flow-through unit was sold at a price of $0.19 and consists of one flow-through common share and one-half of one transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.16 and consists of one common share and one-half of one transferable warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of $0.40. In connection with this financing, the Company paid cash finder's fees of $50,797, legal and filing fees of $22,046 and issued a total of 267,823 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.40/share for three years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $8,725 using the Black Scholes option pricing model.

On August 15, 2019, the Company completed a non-brokered private placement and issued 695,000 flow-through units for gross proceeds of $222,400 and 155,000 non flow-through units for gross proceeds of $42,625, for total gross proceeds of $265,025. Each flow-through unit was sold at a price of $0.32 and consists of one flow-through common share and transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.275 and consists of one common share and transferable warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 5 years at a price of $0.60. In connection with this financing, the Company paid cash finder's fees of $14,829, legal and filing fees of $7,453 and issued a total of 47,100 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.60/share for five years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $1,309 using the Black Scholes option pricing model. As the Company has incurred $222,400 of exploration expenditures related to the flow-through financing, it has recognized $55,600 of the $55,600 flow-through premium in income.

On July 18, 2019, the Company completed a non-brokered private placement and issued 390,625 flow-through units for gross proceeds of $125,000 and 100,000 non flow-through units for gross proceeds of $27,500, for total gross proceeds of $152,500. Each flow-through unit was sold at a price of $0.32 and consists of one flow-through common share and transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.275 and consists of one common share and transferable warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 5 years at a price of $0.60. In connection with this financing, the Company paid cash finder's fees of $9,150 and issued a total of 29,437 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.60/share for five years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $929 using the Black Scholes option pricing model. As the Company has incurred $125,000 of exploration expenditures related to the flow-through financing, it has recognized $27,344 of the $27,344 flow-through premium in income.

On May 16, 2019, the Company completed a non-brokered private placement and issued 1,744,500 flow-through units for gross proceeds of $558,240 and 9,551,910 non flow-through units for gross proceeds of $2,626,775.25, for total gross proceeds of $3,185,015.25. Each flow-through unit was sold at a price of $0.32 and consists of one flow-through common share and transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.275 and consists of one common share and transferable warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 5 years at a price of $0.60. In connection with this financing, the Company paid cash finder's fees of $178,330, legal and filing fees of $85,771 and issued a total of 511,379 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.60/share for five years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $12,408 using the Black Scholes option pricing model. As the Company has incurred $558,240 of exploration expenditures related to the flow-through financing, it has recognized $165,728 of the $165,728 flow-through premium in income.

Table 8: Proceeds from Financings

Date	Type	Intended Use	Actual Use
May 2019	$3.2 million – 9,551,910 Ordinary units and 1,744,500 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
July 2019	$0.2 million – 100,000 Ordinary units and 390,625 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
August 2019	$0.3 million – 155,000 Ordinary units and 695,000 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
December 2019	$1.3 million – 840,000 Ordinary units and 6,190,889 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
January 2020	$0.6 million – 3,826,250 Ordinary units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and Alberta as well as for general corporate purposes	As Intended
November 2020	$1.2 million – 2,211,000 Ordinary units and 3,444,545 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and British Columbia as well as for general corporate purposes	Funds to be Used as Intended
December 2020	$2.0 million – 4,921,714 Ordinary units and 1,633,713 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and British Columbia as well as for general corporate purposes	Funds to be Used as Intended
March 2021	$3.0 million – 4,308,800 Ordinary units and 1,321,250 Flow through units	Acquisition for uranium and other mineral exploration in Saskatchewan, Manitoba and British Columbia as well as for general corporate purposes	Funds to be Used as Intended

4. EXPENDITURES REVIEW

Table 9: ($000's) Quarterly Net Loss & Comprehensive Loss Summary	Quarterly Q120	Q220	Q320	Q420	Q121	Q221	Q321	Q421	Year End 2020	2021
Exploration Cost										
Mineral property expenditures net of Reimbursements	907	935	236	900	13	91	96	584	2,978	784
Mineral property write-offs	4	-	-	1	1	-	-	-	5	1
Recoveries on option payments received	-	-	-	-	(45)	(114)	-	-	-	(159)
	911	935	236	901	(31)	(23)	96	584	2,983	626
Other Expenses (Income)										
Consulting, labour and professional fees	227	154	252	209	153	216	576	183	842	1,128
Depreciation	2	4	1	3	3	3	6	6	10	18
Gain on disposal of property and equipment	-	-	-	-	-	-	(2)	-	-	(2)
Foreign exchange (gain) loss	-	1	(1)	(4)	2	(1)	4	5	(4)	10
Insurance, licenses and filing fees	38	21	9	14	29	19	24	22	82	94
Interest income	(13)	(10)	(8)	(10)	(7)	(5)	(5)	(4)	(41)	(21)
Other corporate costs	3	15	10	11	4	5	15	13	39	37
Investor relations and presentations	43	69	50	19	33	19	26	56	181	134
Rent	4	3	3	6	6	5	6	6	16	23
Share-based payments	127	-	-	102	-	-	855	911	229	1,766
Travel and accommodation	14	17	7	4	6	1	6	2	42	15
Management fee	-	-	-	-	-	-	(5)	-	-	(5)
Flow-through premium	(193)	(56)	-	-	-	-	(8)	(49)	(249)	(57)
	252	218	323	354	229	262	1,498	1,151	1,147	3,140
Net loss for the period	**(1,163)**	**(1,153)**	**(559)**	**(1,255)**	**(198)**	**(239)**	**(1,594)**	**(1,735)**	**(4,130)**	**(3,766)**
Other comprehensive loss										
Items that have been reclassified to profit or loss:										
Realized (loss) on equity securities	-	-	-	-	14	(208)	-	-	60	(194)
Items that will not be subsequently reclassified to profit or loss:										
Unrealized gain (loss) on equity securities	(30)	(31)	28	(27)	148	209	229	(47)	60	539
Total comprehensive loss	**(1,193)**	**(1,184)**	**(531)**	**(1,282)**	**(36)**	**(238)**	**(1,365)**	**(1,792)**	**(4,190)**	**(3,421)**
Basic and diluted loss per share	(0.03)	(0.01)	(0.01)	(0.03)	(0.00)	(0.00)	(0.02)	(0.04)	**(0.08)**	**(0.06)**

In the fiscal year ended April 30, 2021, the Company spent approximately $0.8 million on exploration expenditures. The majority of the exploration expenditures were allocated to Waterbury, West McArthur and Strong projects.

In the fiscal year ended April 30, 2021, the Company recognized mineral property impairments on its Alberta projects for approximately $1,000 as the Company did not renew certain of its permits for this particular project.

Consulting, labour, and professional fees are higher in fiscal 2021 than fiscal 2020. The increase was primarily attributable to an increase in legal fees of approximately $380,000. The majority of the legal fees were related to an arbitration with a joint venture partner. There was also a decrease in salaries paid in fiscal 2021 compared to 2020 of approximately $56,000 and consulting and director's fees of $34,000.

Insurance, licenses and filing fees are higher for fiscal 2021 compared to fiscal 2020. The increase was primarily due to the increase in the Company's insurance costs in 2021 compared to 2020.

Interest income was lower in 2021 compared to 2020. The decrease was attributed to the decease in the cash balances held during the year along with the decrease in rate of interest on those balances.

Investor relations expenses were lower in 2021 compared to 2020. The decrease was primarily attributed to the decrease in the use of investor relation consultants.

The share-based payments amount for the year was higher than the amount for the previous year. The increase was primarily due to the increase in the fair value calculation on the options granted in fiscal 2021 relative to fiscal 2020. During fiscal 2021, there were 5,720,000 options granted with an average fair value of $0.31 per option compared to 2,555,000 options granted with an average fair value of $0.09 per option in fiscal 2020.

During the fiscal 2021 and 2020, the Company completed several flow-through private placements transactions whereby the flow-through unit price was greater than the market price of the Company's shares at the time of closing and the Company recognized a flow-through premium for fiscal 2021 and 2020 of approximately $57,000 and 249,000, respectively.

5. ANNUAL FINANCIAL INFORMATION

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

Table 10: ($000's) Selected Annual Information	2019	2020	2021
Net earnings (loss)	(1,793)	(4,130)	(3,766)
Net earnings (loss) per-share and Net earnings (loss) diluted per share	(0.06)	(0.08)	(0.06)
Total assets	1,967	2,455	8,346
Cash dividends declared	-	-	-

6. CASHFLOW AND LIQUIDITY REVIEW

As of April 30, 2021, the Company had $7.0 million in cash and cash equivalents and working capital of $7.5 million and as of April 30, 2020, the Company had $1.6 million in cash and cash equivalents and working capital of $1.8 million.

6.1 Operating Activities

The Company's operating activities resulted in net cash outflows of $2.2 million and $4.1 million for the fiscal years ended April 30, 2021 and 2020 respectively. Operating activities and costs for fiscal 2021 are lower than fiscal 2020. The decrease was primarily due to the decrease in Company exploration activities at the West McArthur project as well as in the decrease in investor relations fees and salaries and consulting fees compared to the prior period. The Company's continuing efforts to minimize its operating costs in order to conserve its cash reserves.

6.2 Financing Activities

Financing activities resulted in net cash inflows of approximately $7.6 million and $4.7 million for the fiscal years ended April 30, 2021 and 2020 respectively. During the fiscal year ended April 30, 2021, the Company completed several non-brokered private placements for net proceeds of $5.7 million and received 1.9 million from the exercise of stock option and warrants. During the fiscal year ended April 30, 2020, the Company completed several non-brokered private placements for net proceeds of $4.7 million. The Company is working to sell, option or joint venture non-core assets.

6.3 Investing Activities

Investing activities resulted in net cash inflows of approximately $10,000 and net cash outflows of approximately $42,000 for fiscal year ended April 30, 2021 and April 30, 2020 respectively. During the fiscal year ended April 30, 2021, the Company staked several claims for the NE Wollaston, Resting and Halfway Lake and Quesnel projects totalling approximately $61,000, received $25,000 in option payments from Fjordland Exploration and received approximately $95,000 from the sale of equity securities The Company also traded-in and purchased an automobile during fiscal 2021. During the fiscal year ended April 30, 2020, the Company purchased a vehicle for approximately $28,000 and acquired claims for the McTavish, NE Watson, NW Manitoba and Hunter projects for approximately $14,000.

7. 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, 2021, which are available on the Company's website at www.canalaska.com and on SEDAR at www.sedar.com.

7.1 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 officers of the Company for the year ended April 30, 2021 and 2020 were as follows.

Table 11: ($000's) **Compensations to Related Parties** **($000's)**	**2021**	**2020**
Short-term employee benefits	469	538
Exploration consulting fees	107	136
Directors fees	30	30
Share-based compensation	1,694	218

7.2 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.

7.3 Critical Accounting Estimates and Judgments

7.3.1 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, 2021. 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.

7.3.2 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. 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.

7.3.3 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. Due to changing market conditions facing junior uranium exploration companies there is no assurance that the Company will be successful in raising additional financing.

7.4 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, 2021 there were no changes to the Company's ICFR that materially affected, or are reasonably likely to materially affect, the Company's ICFR.

7.5 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.

7.6 New Accounting Standards and Interpretations Adopted in the Year

The following new and amended IFRS pronouncements were adopted effective May 1, 2020 and had no impact to the Company's financial statements:

- Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
  In October 2018, the IASB issued Amendments to IAS 1 and IAS 8 to clarify the definition of material in IAS 1 and align the definition across the standards. The amendments are not intended to alter the underlying concept of materiality in IFRS standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term "material" to ensure consistency.
- Amendments to IFRS 3 – Business Combinations
  In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to help entities determine whether an acquired set of activities and assets is a business or not. The amendments, which are effective for annual reporting periods beginning on or after January 1, 2020, clarify the minimum requirements to be a business, remove the assessment of a market participant's

ability to replace missing elements, narrow the definition of outputs, add guidance to assess whether an acquired process is substantive, and introduce an optional concentration test to permit a simplified assessment.

- Amendments to References to the Conceptual Framework in IFRS Standards
  In September 2019, the IASB issued first phase amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Hedging and IFRS 7 Financial Instrument Disclosures to address the financial reporting impact of the reform on interest rate benchmarks, such as the discontinuance of the interbank offered rates. The first phase amendment is focused on the impact to hedge accounting requirements. The Company adopted the first phase amendment and there was no material impact on its consolidated financial statements. The Company will continue to assess the effect of amendments related to the interest rate benchmark reform on its consolidated financial statements.

7.7 Future Accounting Pronouncements

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.

The following amendments to accounting standards has been issued but not yet adopted in the financial statements::

- On May 14, 2020, the IASB published a narrow scope amendment to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use. The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, amounts received will be recognized as sales proceeds and related cost in profit or loss. The effective date is for annual periods beginning on or after January 1, 2022. The Company does not expect to adopt this amendment until the effective date, and does not anticipate a material impact on its consolidated financial statements.
- Amendments to IFRS 16 – Leases - to provide practical relief to lessees in accounting for rent concessions arising as a result of COVID-19, the IASB proposed an amendment to IFRS 16 which provide lessees with a practical expedient that relieves a lessee from assessing whether a COVID-19 related rent concession is a lease modification. The amendment is effective for annual reporting periods beginning on or after June 1, 2020, with earlier application permitted. This amendment is not expected to have a significant impact to the Company's consolidated financial statements as the Company has not received any COVID-19 related rent concessions as of the date of these consolidated financial statements.

7.8 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.

7.8.1 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 249,661 ha of property to reduce to 240,764 ha by December 31, 2021, and 167,149 ha by December 31, 2022. 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.

7.8.2 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.

7.8.3 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.

7.8.4 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.

7.8.5 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.

7.8.6 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 may forfeit any funds expended up to such time.

7.8.7 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.

7.8.8 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.

7.8.9 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.

7.8.10 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.

7.8.11 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.

CanAlaska Uranium Ltd.

Consolidated Financial Statements
April 30, 2021 and 2020

(Expressed in Canadian dollars, except where indicated)

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Independent Auditor's Report

To the Shareholders of
CanAlaska Uranium Ltd.

Opinion

We have audited the consolidated financial statements of CanAlaska Uranium Ltd. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2021 and April 30, 2020 and the consolidated statements of net loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Company did not earn revenue from operations during the year ended April 30, 2021 and has an accumulated deficit of $● million at April 30, 2021. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are

responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is David Macdonald.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
July 20, 2021

CanAlaska Uranium Ltd.

Consolidated Statements of Financial Position
As at April 30, 2021 and 2020
(Expressed in Canadian dollars except where indicated)

	April 30 2021 $000's	April 30 2020 $000's
Assets		
Current assets		
Cash and cash equivalents (note 5)	7,016	1,611
Prepaid and deposits	130	121
Equity securities (note 6)	669	254
Total current assets	7,815	1,986
Non-current assets		
Reclamation bonds	49	49
Property and equipment (note 7)	76	44
Mineral property interests (note 8)	406	376
Total assets	8,346	2,455
Liabilities		
Current liabilities		
Trade and other payables	172	154
Deferred flow-through premium (note 9)	150	-
	322	154
Equity		
Common shares (note 9)	86,265	79,600
Equity reserve (note 10)	16,805	14,326
Investment revaluation reserve	(1,506)	(1,851)
Accumulated deficit	(93,540)	(89,774)
	8,024	2,301
	8,346	2,455

Approved by the Board of Directors

"Peter Dasler"
Director

"Jean Luc Roy"
Director

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

CanAlaska Uranium Ltd.

Consolidated Statements of Net Loss and Comprehensive Loss
For the years ended April 30, 2021 and 2020
(Expressed in Canadian dollars except where indicated)

	2021 $000's	2020 $000's
EXPLORATION COSTS		
Mineral property expenditures, net of reimbursements	784	2,978
Mineral property write-offs (note 8)	1	5
Net option payments (note 8)	(159)	-
	626	2,983
OTHER EXPENSES (INCOME)		
Consulting, labour and professional fees	1,128	842
Depreciation and amortization (note 7)	18	10
Gain on disposal of property and equipment	(2)	-
Foreign exchange loss (gain)	10	(4)
Insurance, licenses and filing fees	94	82
Interest income	(21)	(41)
Other corporate costs	37	39
Investor relations and presentations	134	181
Rent	23	16
Share-based payments (note 10)	1,766	229
Travel and accommodation	15	42
Management fee	(5)	-
Flow-through premium (note 9)	(57)	(249)
	3,140	1,147
Net loss for the year	(3,766)	(4,130)
Other comprehensive loss		
Items that have been reclassified to profit or loss:		
Realized loss on equity securities (note 6)	(194)	-
Items that will not be subsequently reclassified to profit or loss:		
Unrealized gain on equity securities (note 6)	539	(60)
Total comprehensive loss for the year	(3,421)	(4,190)
Basic and diluted loss per share ($ per share)	(0.06)	(0.08)
Basic and diluted weighted average common shares outstanding (000's)	64,407	49,334

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

CanAlaska Uranium Ltd.

Consolidated Statements of Changes in Equity
For the years ended April 30, 2021 and 2020
(Expressed in Canadian dollars except where indicated)

	Common Shares				**Investment**		
	Shares 000's	**Amount $000's**	Share Subscriptions Received	Equity Reserve $000's	**Revaluation Reserve $000's**	**Accumulated Deficit $000's**	**Total Equity $000's**
Balance-April 30, 2019	**34,082**	**76,337**	**437**	**12,471**	**(1,791)**	**(85,644)**	**1,810**
Issued on private placement for cash	23,494	5,525	(437)	-	-	-	5,088
Warrants issued on private placement	-	(1,602)	-	1,602	-	-	-
Share issuance costs	-	(411)	-	24	-	-	(387)
Flow-through premium (note 9)	-	(249)	-	-	-	-	(249)
Share-based payments	-	-	-	229	-	-	229
Other comprehensive loss	-	-	-	-	(60)	-	(60)
Loss for the year	-	-	-	-	-	(4,130)	(4,130)
Balance-April 30, 2020	**57,576**	**79,600**	-	**14,326**	**(1,851)**	**(89,774)**	**2,301**
Issued on private placement for cash	17,841	6,199	-	-	-	-	6,199
Warrants issued on private placement	-	(1,142)	-	1,142	-	-	-
Share issuance costs	-	(616)	-	150	-	-	(466)
Flow-through premium (note 9)	-	(207)	-	-	-	-	(207)
Issued on the exercise of stock options	3,650	1,203	-	(129)	-	-	1,074
Issued on the exercise warrants	2,141	1,228	-	(450)	-	-	778
Share-based payments	-	-	-	1,766	-	-	1,766
Other comprehensive loss	-	-	-	-	345	-	345
Loss for the year	-	-	-	-	-	(3,766)	(3,766)
Balance-April 30, 2021	**81,208**	**86,265**	-	**16,805**	**(1,506)**	**(93,540)**	**8,024**

CanAlaska Uranium Ltd.

Consolidated Statements of Cash Flows
For the years ended April 30, 2021 and 2020
(Expressed in Canadian dollars except where indicated)

	2021 $000's	2020 $000's
Cash flows used in operating activities		
Net loss for the year	(3,766)	(4,130)
Adjustments		
Depreciation and amortization (note 7)	18	10
Mineral property write-offs (note 8)	1	5
Gain on disposal of property and equipment	(2)	-
Net option payments	(159)	-
Share-based payments (note 10)	1,766	229
Flow-through premium (note 9)	(57)	(249)
Forfeiture of Reclamation bond	-	25
Interest income	(21)	(41)
Interest received	41	25
Change in non-cash operating working capital		
(Decrease) increase in prepaid and deposits	(30)	5
Increase in trade and other payables	19	1
	(2,190)	(4,120)
Cash flows from financing activities		
Issuance of common shares through private placement (net of share issuance costs)	5,733	4,700
Proceeds on exercise of stock options	1,074	-
Proceeds on exercise of warrants	778	-
	7,585	4,700
Cash flows from (used in) investing activities		
Additions to mineral property interests (note 8)	(61)	(14)
Additions to property and equipment	(70)	(28)
Proceeds from disposition of property and equipment	21	-
Proceeds from sale of equity securities (note 6)	95	-
Option payments received (note 8)	25	-
	10	(42)
Increase in cash and cash equivalents	5,405	538
Cash and cash equivalents - beginning of year (note 5)	1,611	1,073
Cash and cash equivalents - end of year (note 5)	7,016	1,611

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

1 Nature of Operations

CanAlaska Uranium Ltd. (the "Company" or "CanAlaska") and its subsidiary are principally engaged in the exploration of uranium, nickel and diamond properties. The Company may bring the properties to production, structure joint ventures with others, option or lease properties to third parties or sell the properties outright. The Company has not determined whether these properties contain ore reserves that are economically recoverable and the Company and its mineral interests are considered to be in the exploration stage. From time to time, the Company evaluates new properties and directs exploration on these properties based on the Board of Director's evaluation of financial and market considerations at the time. The Company's shares trade on the TSX Venture Exchange under the symbol "CVV". The Company's shares are also quoted on the OTCQB in the United States under the symbol "CVVUF" and the Frankfurt Stock Exchange under the symbol "DH7N". The Company's registered office is located at 625 Howe Street, Suite 1020, Vancouver, British Columbia, V6C 2T6, Canada.

2 Going Concern

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

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

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. At April 30, 2021, the Company has cash and cash equivalents of $7.0 million (April 30, 2020: $1.6 million) and working capital of $7.5 million (April 30, 2020: $1.8 million). The Company has an accumulated deficit of $93.5 million at April 30, 2021 (April 30, 2020: $89.8 million). 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.

3 Summary of Significant Accounting Policies

a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standard ("IFRS"). The policies applied in these consolidated financial statements are presented in note 3 and are based on IFRS issued and effective at April 30, 2021.

These consolidated financial statements were approved by the Board of Directors for issue on July 20, 2021.

b) Basis of preparation

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

These consolidated financial statements include the accounts of CanAlaska and its wholly-owned subsidiary, CanAlaska West McArthur Uranium Ltd., a B.C. company.

Subsidiaries are entities over which the Company has control. Control is achieved when the Company has power over its investee; is exposed or has rights to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. Subsidiaries are consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date on which control ceases. All inter-company transactions, balances, income and expenses have been eliminated on consolidation.

c) Share-based payments

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 Company also issues warrants as consideration for services received. The total amount to be expensed is determined by reference to the fair value of the services received and if not determinable, the fair value of options and warrants 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. 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 with a corresponding increase in equity reserve.

3 Summary of Significant Accounting Policies (continued)

d) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax is recognized in the consolidated statement of net loss and comprehensive loss except to the extent it relates to items recognized directly in equity, in which case the related taxes are recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates substantially enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to unused tax loss carry forwards, unused tax credits and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the substantially enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that deferred tax asset will be recovered, the deferred tax asset is reduced.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable income;
- initial recognition of goodwill; and
- investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to the set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

e) Property and equipment

Property and equipment ("PPE") are carried at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of PPE consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss. Where an item of property and equipment comprises major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized.

3 Summary of Significant Accounting Policies (continued)

The Company provides for amortization of its property and equipment as follows:

Mining equipment	30% declining balance basis
Office equipment	20% declining balance basis
Automobile	30% declining balance basis

f) Mineral property interests and mineral exploration expenditures

Mineral property interests

Mineral properties are exploration and evaluation assets that consist of payments to acquire mineral exploration rights, licenses and mining permits. Acquisition costs are capitalized and deferred until such a time as the mineral property is put into production, sold or abandoned, or impaired.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the mineral properties are transferred to property and equipment. When a property is placed into commercial production, capitalized costs will be depleted using the units-of-production method.

The carrying values of capitalized amounts are reviewed when indicators of impairment are present. Recorded amounts of mineral properties are not intended to reflect present or future values of the properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

Option payments made by an interested acquirer are recorded as a reduction of the value of the asset, with any excess over the carrying value of the asset recorded into income.

Exploration expenditures

Exploration and evaluation expenditure, including but not limited to geological and geophysical evaluation, surveying, exploratory drilling and sampling, and evaluating the technical feasibility of extracting a mineral resource, is expensed as incurred until the property reaches the development stage.

The development stage is considered to begin once the technical feasibility and commercial viability of the extraction of mineral property in an area of interest are demonstrable. Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method based upon estimated proven and probable reserves.

The Company follows the practice of crediting all proceeds received for option or farm-out arrangements or recovery of costs against the exploration expenditures.

3 Summary of Significant Accounting Policies (continued)

g) Impairment of non-financial assets

At each reporting date, the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates, generally by mineral property interests. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. For exploration and evaluation assets, indication of impairment includes but is not limited to expiration of the rights to explore, substantive expenditure in the specific area is neither budgeted or planned, and if the entity has decided to discontinue exploration activity in the specified area.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's non-financial assets are impaired. External sources of information management considers include changes in market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its non-financial assets. Internal sources of information management consider include the manner in which non-financial assets are being used or are expected to be used and indications of economic performance of the assets.

h) Foreign currencies

The functional and presentation currency of the Company and its subsidiaries is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the spot rates prevailing at the date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the date of the transaction and not revalued every period.

3 Summary of Significant Accounting Policies (continued)

i) Financial assets and liabilities

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income (“FVOCI”); or (iii) FVTPL. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI.

The classification determines the method by which the financial assets are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded. Cash and cash equivalents are measured at amortized cost with subsequent impairments recognized in the consolidated statements of net loss and comprehensive loss. Equity investments are measured at FVOCI with subsequent changes recognized in OCI.

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded. Trade and other payables are classified as amortized cost and carried on the consolidated statement of financial position at amortized cost.

Financial instruments recorded at fair value on a recurring basis on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company’s equity securities investments are classified as Level 1 financial instruments. There have been no transfers between fair value levels during the reporting period.

3 Summary of Significant Accounting Policies (continued)

Impairment of financial assets

An ‘expected credit loss’ impairment model applies which requires a loss allowance to be recognized based on expected credit losses. This applies to financial assets measured at amortized cost. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset’s original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in the consolidated statement of net loss and comprehensive loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through the consolidated statement of net loss and comprehensive loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

j) Investment revaluation reserve

Investment revaluation reserve includes unrealized gains and losses on equity securities, none of which are included in the calculation of net earnings or losses.

k) Cash and cash equivalents

Cash and cash equivalents consist of cash deposits in banks, bankers’ acceptances and certificates of deposits (note 5) and are readily convertible into a known amount of cash with an original maturity of three months or less.

3 Summary of Significant Accounting Policies (continued)

l) Decommissioning liabilities

Obligations associated with the decommissioning of tangible non-current assets are recorded as provisions when those obligations are incurred, with the amount of the liability initially measured at management’s best estimates. These obligations are capitalized in the accounts of the related non-current assets and are amortized over the useful lives of the related assets. It is possible that the Company's estimates of its ultimate decommissioning liabilities could change as a result of changes in regulations, the extent of environmental remediation required and the means of reclamation or costs estimates. Changes in estimates are accounted for prospectively from the period these estimates are revised. There are no decommissioning liabilities as at April 30, 2021 and April 30, 2020.

m) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of issue costs.

n) Flow-through Common Shares

Canadian income tax legislation permits companies to issue flow-through instruments whereby the income tax deductions generated by eligible expenditures of the Company, defined in the Income Tax Act (Canada) as qualified Canadian exploration expenses, are claimed by the investors rather than by the Company. Shares issued on a flow-through basis are typically sold at a premium above the market share price which relates to the tax benefits that will flow through to the investors. The Company may issue flow-through shares as part of its equity financing transactions in order to fund its exploration activities. The Company estimates the portion of the proceeds attributable to the premium as being the excess of the flow-through share price over the market share price of the common shares without the flow-through feature at the time of subscription. The premium is recorded as a liability which represents the Company’s obligation to spend the flow-through funds on eligible expenditures and is amortized through the statement of loss as the eligible expenditures are incurred.

o) Provisions

A provision is recognized in the consolidated statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

p) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

3 Summary of Significant Accounting Policies (continued)

q) Loss (earnings) per share

Basic loss (earnings) per common share is calculated by dividing the loss (earnings) attributed to shareholders for the period by the weighted average number of common shares outstanding in the period. Diluted earnings per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. Stock options, shares to be issued, and warrants outstanding are not included in the computation of diluted loss (earnings) per share if their inclusion would be anti-dilutive.

r) Segment reporting

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the financial statements also represent segment amounts.

s) New accounting standard and interpretation adopted in the year

The following new and amended IFRS pronouncements were adopted effective May 1, 2020 and had no impact to the Company's financial statements:

- Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
  In October 2018, the IASB issued Amendments to IAS 1 and IAS 8 to clarify the definition of material in IAS 1 and align the definition across the standards. The amendments are not intended to alter the underlying concept of materiality in IFRS standards. The concept of "obscuring" material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from "could influence" to "could reasonably be expected to influence". The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term "material" to ensure consistency.
- Amendments to IFRS 3 – Business Combinations
  In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to help entities determine whether an acquired set of activities and assets is a business or not. The amendments, which are effective for annual reporting periods beginning on or after January 1, 2020, clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, narrow the definition of outputs, add guidance to assess whether an acquired process is substantive, and introduce an optional concentration test to permit a simplified assessment.
- Amendments to References to the Conceptual Framework in IFRS Standards
  In September 2019, the IASB issued first phase amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Hedging and IFRS 7 Financial Instrument Disclosures to address the financial reporting impact of the reform on interest rate benchmarks, such as the discontinuance of the interbank offered rates. The first phase amendment is focused on the impact to hedge accounting requirements. The Company adopted the first phase amendment and there was no material impact on its consolidated financial statements. The Company will continue to assess the effect of amendments related to the interest rate benchmark reform on its consolidated financial statements.

3 Summary of Significant Accounting Policies (continued)

The following amendments to accounting standards has been issued but not yet adopted in the financial statements:

- On May 14, 2020, the IASB published a narrow scope amendment to IAS 16 Property, Plant and Equipment - Proceeds before Intended Use. The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, amounts received will be recognized as sales proceeds and related cost in profit or loss. The effective date is for annual periods beginning on or after January 1, 2022. The Company does not expect to adopt this amendment until the effective date, and does not anticipate a material impact on its consolidated financial statements.
- Amendments to IFRS 16 – Leases - to provide practical relief to lessees in accounting for rent concessions arising as a result of COVID-19, the IASB proposed an amendment to IFRS 16 which provide lessees with a practical expedient that relieves a lessee from assessing whether a COVID-19 related rent concession is a lease modification. The amendment is effective for annual reporting periods beginning on or after June 1, 2020, with earlier application permitted. This amendment is not expected to have a significant impact to the Company's consolidated financial statements as the Company has not received any COVID-19 related rent concessions as of the date of these consolidated financial statements.

4 Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) Critical judgments

- The Company believes that the cash on hand at April 30, 2021 is sufficient to meet corporate, administrative and selected exploration activities for at least the next twelve months and that the presentation of these consolidated financial statements on a going concern basis is appropriate.
- The Company determined not to recognize deferred tax assets arising from Canadian exploration expenses, capital losses and unused tax losses as it considered it not to be probable that taxable income will be available in the near future to offset the reversal of these items.
- Management assesses each mineral property interest at each reporting period to determine whether any indication of impairment exists, and if events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made which is considered to be the higher of the fair value less costs to sell and its value in use. These assessments may require the use of estimates and assumptions such as future capital requirements and assessments of preliminary assay results. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

b) Estimates

- The fair value estimation of share-based awards included in the consolidated statements of financial position and the inputs used in accounting for stock options in the consolidated statements of net loss and comprehensive loss. The Company uses the Black-Scholes option pricing model to calculate the compensation expense and the estimates used for the calculation are outlined in note 10.

5 Cash and Cash Equivalents

Cash and cash equivalents of the Company are comprised of the following:

	April 30, 2021 $000's	April 30, 2020 $000's
Cash	7,016	261
Cash equivalents	-	1,350
Total	**7,016**	**1,611**

6 Equity Securities

	April 30, 2021		April 30, 2020	
	Cost $000's	Fair Value $000's	Cost $000's	Fair Value $000's
Northern Uranium Corp.	700	240	700	120
Fjordland Exploration Inc.	278	194	228	27
Green Thumb Industries	-	-	16	22
Canterra Minerals Corp.	180	54	180	20
Voyageur Minerals Explorer Corp	80	64	80	32
Omineca Mining and Metals Ltd.	116	56	-	-
Other equity securities	647	61	921	33
Total	**2,001**	**669**	**2,125**	**254**

The Company holds equity securities as strategic investments and has less than 10% equity interest in each of the investees.

During the year ended April 30, 2021, the Company sold shares of various equity securities for gross proceeds totalling $95,452 (2020: $nil) and recognized a loss on sale of equity securities of $193,896 (2020: $nil). Also, during the year ended April 30, 2021, the Company received 1,000,000 shares of Fjordland Exploration Inc with a fair value of $50,000 pursuant to the option agreement dated April 28, 2020 (note 8) and 300,000 shares of Omineca Mining and Metals Ltd with a fair value of $115,500 pursuant to the option agreement dated August 20, 2020 (note 8).

7 Property and Equipment

Property and equipment are comprised of the following:

	Mining equipment $000's	Office equipment $000's	Automobile $000's	Total $000's
Cost				
At May 1, 2019	**441**	**452**	**-**	**893**
Additions	-	-	28	28
At April 30, 2020	**441**	**452**	**28**	**921**
Additions	-	-	70	70
Disposals	-	-	(28)	(28)
At April 30, 2021	**441**	**452**	**70**	**963**

Accumulated Depreciation and Amortization				
At May 1, 2019	**(436)**	**(431)**	**-**	**(867)**
Depreciation and amortization	(2)	(4)	(4)	(10)
At April 30, 2020	**(438)**	**(435)**	**(4)**	**(877)**
Depreciation and amortization	(1)	(3)	(14)	(18)
Disposals	-	-	8	8
At April 30, 2021	**(439)**	**(438)**	**(10)**	**(887)**
Carrying Value				
At April 30, 2020	3	17	24	44
At April 30, 2021	**2**	**14**	**60**	**76**

8 Mineral Property Interests

The Company holds approximately 249,000 hectares of mining claims in the Athabasca region located across the provinces of Saskatchewan, Manitoba and Alberta in Canada. The holdings are through 16 projects which are in various stages of exploration and evaluation.

The Company also holds mining claims in British Columbia.

Details of acquisition costs and mineral property impairments for the years ended April 30, 2021 and April 30, 2020 respectively are as follows:

Project ($000's)	May 1, 2019	Additions/ write-offs/ option payments received	April 30, 2020	Additions/ write-offs	option payments received	Net option payments recognized as income [4]	April 30, 2021
Athabasca Basin							
Cree East (a)	85	-	85	-	-	-	85
West McArthur (b)	-	-	-	-	-	-	-
West Athabasca Kimberlite	36	-	36	-	-	-	36
Key Lake	-	-	-	-	-	-	-
NW Manitoba	30	6	36	-	-	-	36
McTavish	-	1	1	-	-	-	1
NE Wollaston (c)	-	1	1	23	-	-	24
Ruttan	-	-	-	-	-	-	-
Patterson	-	-	-	-	-	-	-
Manibridge	161	-	161	-	-	-	161
Hunter (d)	21	5	26	-	(71)	45	-
Resting (e)	-	-	-	18	-	-	18
Halfway Lake (f)	-	-	-	20	-	-	20
Other	25	-	25	-	-	-	25
Other							
Other Projects, Various (g)	10	(5)	5	-	(119)	114	-
Total	**368**	**8[1]**	**376**	**61[2]**	**(190)[3]**	**159**	**406**

[1] Includes mineral property write-offs of approximately $5,000 and additions to mineral property interests of approximately $13,000.

[2] Includes mineral property write-offs of approximately $1,000 and additions to mineral property interests of approximately $62,000.

[3] Of the $190,000 option payments received, $25,000 in cash was received and the remaining $165,000 were shares received.

[3] For those option payments for which the property has no carrying value, the option amounts received are recognized directly into income.

8 Mineral Property Interests (continued)

Summary of optionees' commitments to maintain certain interest in CanAlaska's properties in the years ending April 30[1]	Total Cash $000's	Spend[1] $000's	Shares
2022	-	-	-
2023	50	2,500	1,500,000
Thereafter	75	5,000	6,000,000
Total due	125	7,500	7,500,000

[1] Represents cumulative spend required to maintain certain interest in the Company's properties.

a) Cree East, Saskatchewan

Cree East consists of approximately 58,000 hectares of mineral claims in the Athabasca. The property has a carrying value of approximately $85,000.

b) West McArthur, Saskatchewan - Cameco

West McArthur consists of approximately 36,000 hectares of mineral claims in the Athabasca. On January 13, 2016, the Company entered into a buy back agreement for the 50% interest in the West McArthur project held by Mitsubishi. The Company agreed to a staged cash payment of $600,000 ($600,000 paid) and a 1% royalty arrangement.

In February 2016, the Company entered into an option agreement with Cameco Corporation. A total of $725,000 cash was received and property expenditures of approximately $5.0 million were made. On October 19, 2018, Cameco Corporation gave notice to acquire its 30% interest on the West McArthur uranium project and the Company became the operator of the joint venture at that date.

The total expenditures on the property for the year ended April 30, 2021 was approximately $93,000 (year ended April 30, 2020: $3.1 million) and has a carrying value of $nil.

8 Mineral Property Interests (continued)

c) NE Wollaston, Saskatchewan

During the year ended April 30, 2021, the Company staked 14 claim blocks totaling 39,138 hectares in the eastern Athabasca for $23,486.

d) Hunter, Manitoba

In June 2020, the Company received $25,000 cash and 1,000,000 common shares of Fjordland Exploration Inc. ("Fjordland") pursuant to an option agreement dated April 28, 2020 with Fjordland for the Hunter and Strong properties. As a result, the Company recovered $26,265 of its mineral property interest costs.

e) Resting, Manitoba

During the year ended April 30, 2021, the Company staked 11 claim blocks totaling 2,322 hectares in the eastern Athabasca for $17,505.

f) Halfway Lake, Manitoba

During the year ended April 30, 2021, the Company staked 8 claim blocks totaling 1,876 hectares in the eastern Athabasca for approximately $20,000.

g) Other Projects, Various

Strong, Manitoba

In June 2020, the Company received $25,000 cash and 1,000,000 common shares of Fjordland pursuant to an option agreement dated April 28, 2020 with Fjordland for the Hunter and Strong properties. As a result, the Company recovered $3,486 of its mineral property interest costs.

Quesnel, British Columbia

In September 2020, the Company staked 2 claim blocks totaling 564 hectares in the Quesnel area for $987.

In October 2020, the Company received 300,000 common shares of Omineca Mining and Metals Ltd. ("Omineca") pursuant to an option agreement dated August 20, 2020 with Omineca for the Quesnel property. As a result, the Company recovered $1,522 of its mineral property interest costs.

Alberta Diamond, Alberta

In July 2020, the Company wrote down its Alberta Diamond property for $711 as it did not renew its permits.

9 Share Capital

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

Share Issuances

a) On March 26, 2021, the Company closed the second and final tranche of its non-brokered private placement and issued 1,165,000 flow-through units for gross proceeds of $745,600 and 2,488,800 non flow-through units for gross proceeds of $1,244,400, for total gross proceeds of $1,990,000. Each flow-through unit was sold at a price of $0.64 and consisted of one flow-through common share and one-half common share purchase warrant. Each unit was sold at a price of $0.50 and consisted of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.75. In connection with this second and final tranche financing, the Company paid a total of $144,644 in finder's fees, legal and filing fees of $59,549 and issued a total of 263,192 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.75/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $60,525 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $116,500.

b) On March 12, 2021, the Company closed the first tranche of its non-brokered private placement and issued 156,250 flow-through units for gross proceeds of $100,000 and 1,842,000 non flow-through units for gross proceeds of $910,000, for total gross proceeds of $1,010,000. Each flow-through unit was sold at a price of $0.64 and consisted of one flow-through common share and one-half common share purchase warrant. Each unit was sold at a price of $0.50 and consisted of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.75. In connection with this first tranche financing, the Company paid a total of $20,400 in finder's fees and issued a total of 38,175 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.75/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $6,755 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $27,344.

c) On December 23, 2020, the Company completed a non-brokered private placement and issued 1,633,713 flow-through units for gross proceeds of $620,811 and 4,921,714 non flow-through units for gross proceeds of $1,378,080, for total gross proceeds of $1,998,891. Each flow-through unit was sold at a price of $0.38 and consists of one flow-through common share and one-half of one transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.28 and consists of one common share and one-half of one transferable warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 2 years at a price of $0.55. In connection with this financing, the Company paid cash finder's fees of $111,229, legal and filing fees of $35,570 and issued a total of 347,235 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.55/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $59,735 using the Black Scholes option pricing model. No flow-through premium was recorded as the flow-through unit price was less than the market price of the Company’s common shares on the December 23, 2020.

9 Share Capital (continued)

d) On November 9, 2020, the Company closed the second and final tranche of its non-brokered private placement and issued 762,409 flow-through units for total gross proceeds of $167,729.98. Each flow-through unit was sold at a price of $0.22 and consisted of one flow-through common share and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.28. In connection with this second and final tranche financing, the Company paid a total of $8,704.20 in finder's fees, legal and filing fees of $20,899 and issued a total of 39,564 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.28/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $2,777 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $22,872. As the Company has incurred approximately $685,683 of exploration expenditures related to the flow-through financing, it has recognized $16,867 of the $22,872 flow-through premium in the consolidated statement of net loss and comprehensive loss.

e) On November 2, 2020, the Company closed the first tranche of its non-brokered private placement and issued 2,682,136 flow-through units for gross proceeds of $590,069.92 and 2,211,000 non flow-through units for gross proceeds of $442,200, for total gross proceeds of $1,032,269.92. Each flow-through unit was sold at a price of $0.22 and consisted of one flow-through common share and one common share purchase warrant (a "Warrant"). Each unit was sold at a price of $0.20 and consisted of one common share and one Warrant. Each Warrant will entitle the holder thereof to purchase one non-flow-through common share for a period of 2 years at a price of $0.28. In connection with this first tranche financing, the Company paid a total of $53,404.20 in finder's fees, legal and filing fees of $12,583 and issued a total of 250,927 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.28/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $19,910 using the Black Scholes option pricing model. Also, the Company recorded a flow-through premium of $40,232. As the Company has incurred approximately $685,683 of exploration expenditures related to the flow-through financing, it has recognized $40,232 of the $40,232 flow-through premium in the consolidated statement of net loss and comprehensive loss.

f) On January 20, 2020, the Company completed a non-brokered private placement and issued 3,826,250 non flow-through units for gross proceeds of $612,200. Each non flow-through unit was sold at a price of $0.16 and consists of one common share and one-half of one transferable warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of $0.40. In connection with this financing, the Company paid cash finder's fees of $902, legal and filing fees of $18,282 and issued a total of 5,640 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.40/share for three years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $194 using the Black Scholes option pricing model.

9 Share Capital (continued)

g) On December 30, 2019, the Company completed a non-brokered private placement and issued 6,190,889 flow-through units for gross proceeds of $1,176,269 and 840,000 non flow-through units for gross proceeds of $134,400, for total gross proceeds of $1,310,669. Each flow-through unit was sold at a price of $0.19 and consists of one flow-through common share and one-half of one transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.16 and consists of one common share and one-half of one transferable warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 3 years at a price of $0.40. In connection with this financing, the Company paid cash finder's fees of $50,797, legal and filing fees of $22,046 and issued a total of 267,823 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.40/share for three years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $8,725 using the Black Scholes option pricing model.

h) On August 15, 2019, the Company completed a non-brokered private placement and issued 695,000 flow-through units for gross proceeds of $224,400 and 155,000 non flow-through units for gross proceeds of $42,625, for total gross proceeds of $265,025. Each flow-through unit was sold at a price of $0.32 and consists of one flow-through common share and transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.275 and consists of one common share and transferable warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 5 years at a price of $0.60. In connection with this financing, the Company paid cash finder's fees of $14,829, legal and filing fees of $7,453 and issued a total of 47,100 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.60/share for five years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $1,309 using the Black Scholes option pricing model. As the Company has incurred $222,400 of exploration expenditures related to the flow-through financing, it has recognized $55,600 of the $55,600 flow-through premium in the consolidated statement of net loss and comprehensive loss.

i) On July 18, 2019, the Company completed a non-brokered private placement and issued 390,625 flow-through units for gross proceeds of $125,000 and 100,000 non flow-through units for gross proceeds of $27,500, for total gross proceeds of $152,500. Each flow-through unit was sold at a price of $0.32 and consists of one flow-through common share and transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.275 and consists of one common share and transferable warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 5 years at a price of $0.60. In connection with this financing, the Company paid cash finder's fees of $9,150 and issued a total of 29,437 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.60/share for five years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $929 using the Black Scholes option pricing model. As the Company has incurred $125,000 of exploration expenditures related to the flow-through financing, it has recognized $27,344 of the $27,344 flow-through premium in the consolidated statement of net loss and comprehensive loss.

9 Share Capital (continued)

j) On May 16, 2019, the Company completed a non-brokered private placement and issued 1,744,500 flow-through units for gross proceeds of $558,240 and 9,551,910 non flow-through units for gross proceeds of $2,626,775.25, for total gross proceeds of $3,185,015.25. Each flow-through unit was sold at a price of $0.32 and consists of one flow-through common share and transferable common share purchase warrant. Each non flow-through unit was sold at a price of $0.275 and consists of one common share and transferable warrant. Each warrant entitles the holder thereof to purchase one common share for a period of 5 years at a price of $0.60. In connection with this financing, the Company paid cash finder's fees of $178,330, legal and filing fees of $85,771 and issued a total of 511,379 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.60/share for five years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $12,408 using the Black Scholes option pricing model. As the Company has incurred $558,240 of exploration expenditures related to the flow-through financing, it has recognized $165,728 of the $165,728 flow-through premium in the consolidated statement of net loss and comprehensive loss.

k) During the year ended April 30, 2021, the Company issued 2,141,026 common shares from the exercise of share purchase warrants for total gross proceeds of $777,960.

l) During the year ended April 30, 2021, the Company issued 3,650,000 common shares from the exercise of stock options for total gross proceeds of $1,074,750.

10 Share Stock Options and Warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined by management at the date of grant. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

	Number of options 000's	Weighted average exercise price $
Outstanding – April 30, 2019	**3,325**	**0.34**
Granted	2,555	0.22
Expired	(660)	0.40
Outstanding – April 30, 2020	**5,220**	**0.27**
Granted	5,720	0.55
Exercised	(3,650)	0.29
Expired	(435)	0.34
Outstanding – April 30, 2021	**6,855**	**0.49**

As at April 30, 2021, the following stock options were outstanding:

	Number of options outstanding 000's	Number of options exercisable 000's	Exercise price	Expiry date (Fiscal Year)
	1,135	1,135	$0.18 - $0.26	2022
	5,720	5,720	$0.42 - $0.71	2023
Total	**6,855**	**6,855**		

For the year ended April 30, 2021, total share-based compensation expense was $1,765,589 (2020: $229,100), which was recognized as share-based payments expense in the year.

10 Share Stock Options and Warrants (continued)

Warrants

	Number of warrants 000's	Weighted average exercise price $
Outstanding - May 1, 2019	5,227	0.59
Granted	18,927	0.51
Expired	(939)	0.54
Outstanding - May 1, 2020	**23,215**	**0.55**
Granted	12,687	0.47
Exercised	(2,141)	0.36
Expired	(2,810)	0.65
Outstanding – April 30, 2021	**30,951**	**0.52**

At April 30, 2021, the following warrants were outstanding:

	Number of warrants outstanding 000's	Exercise price	Expiry date
	750	$0.51	November 20, 2021 [1]
	465	$0.60	December 27, 2021 [2]
	5,035	$0.28	November 3, 2022
	188	$0.28	November 9, 2022
	3,625	$0.55	December 23,2022
	11,808	$0.60	May 16, 2024
	520	$0.60	July 18, 2024
	885	$0.60	August 15, 2024
	3,343	$0.40	December 30, 2022
	1,216	$0.40	January 20, 2023
	1,026	$0.75	March 12, 2023
	2,090	$0.75	March 26, 2023
Total	**30,951**		

[1] Expiry date of warrants will be on November 20, 2021 provided that if the closing price of the Company's listed shares on the TSX Venture Exchange exceeds $0.90/share for 10 consecutive trading days then thereafter the exercise period of the warrants will be reduced to a period of 30 calendar days following the date express written notice of such acceleration is provided by the Company.

[2] On December 10, 2020, the Company received TSX Venture Exchange approval to extend the expiry date of 465,000 outstanding share purchase warrants from December 27, 2020 to December 27, 2021. No value was attributed to the warrant extension. Also, the expiry date of warrants will be on December 27, 2021, provided that if the closing price of the Company's listed shares on the TSX Venture Exchange exceeds $0.90/share for 10 consecutive trading days then thereafter the exercise period of the warrants will be reduced to a period of 30 calendar days following the date express written notice of such acceleration is provided by the Company.

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company’s stock options and warrants. The Company’s expected volatility is based on the historical volatility of the Company’s share price on the TSX Venture Exchange. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense with the resulting weighted average fair value for the year ended April 30, 2021 and 2020:

10 Share Stock Options and Warrants (continued)

Options	**2021**	**2020**
Weighted average fair value	$0.31	$0.09
Forfeiture rate	0%	0%
Risk-free interest rate	0.20% - 0.22%	1.25% - 1.43%
Expected life	2.0 years	2.0 years
Expected volatility	91.17% - 99.30%	73.82% - 76.4%
Expected dividend	0%	0%

Warrants	**2021**	**2020**
Weighted average fair value	$0.16	$0.12
Forfeiture rate	0%	0%
Risk-free interest rate	0.23% - 0.31%	1.13% - 1.66%
Expected life	2.0 years	3.0 years - 5.0 years
Expected volatility	88.4% - 96.8%	40% - 103.5%
Expected dividend	0%	0%

11 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 officers of the Company for the years ended April 30, 2021 and April 30, 2020 were as follows.

($000's)	**2021** **$**	**2020** **$**
Short-term employee benefits	469	538
Exploration consulting fees	107	136
Directors fees	30	30
Share-based compensation	1,694	218

12 Income Tax

Income tax expense differs from the amount computed by applying the combined Canadian federal and provincial income tax rates, applicable to CanAlaska Uranium Ltd., to the loss before tax provision due to the following:

	2021 $000's	**2020 $000's**
Loss before income taxes	(3,766)	(4,130)
Canadian federal and provincial income tax rates	27.00%	27.00%
Income tax recovery based on Canadian federal and provincial income tax rates	(1,017)	(1,115)
Increase (decrease) attributable to:		
Non-deductible (taxable) expenditures	477	64
Flow-through shares renounced	601	176
Change in unrecognized deferred tax assets	(12)	821
True up to tax return	(68)	54
Other	19	-
Income tax recovery	-	-

Unrecognized deductible temporary differences, unused tax losses, and unused tax credits are attributable to the following:

	2021 $000's	**2020 $000's**
Non-capital loss carry forwards	15,279	15,589
Equity investments	666	925
Excess tax value of property and equipment over book value	1,211	1,200
Mineral property interests	22,117	23,648
Share issuance costs	642	385
Investment tax credit	565	565
	40,480	42,312

The Company has income tax loss carry-forwards of approximately $15,278,844 (April 30, 2020 - $15,588,937) for Canadian tax purposes. These un-recognized tax losses will expire between 2026 to 2041.

The Company has investment tax credits of approximately $564,714 (April 30, 2020 - $564,714) for Canadian tax purposes. These un-recognized investment tax credits will expire between 2030 to 2035.

13 Financial Instruments

The fair value of the Company's cash and cash equivalents, equity securities and trade and other payables approximate their carrying values due to the short-term nature of these instruments.

The Company's financial instruments are exposed to certain financial risks, including credit risk and liquidity risk.

a) Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and prepaid and deposits. To mitigate exposure to credit risk, the Company deposits cash and cash equivalents with high rated large Canadian financial institutions as determined by rating agencies.

As at April 30, 2021, the Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents and prepaid and deposits.

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is reliant upon equity issuances as its source of cash. The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash and cash equivalents to capital and operating needs.

14 Management of Capital

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

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

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