

FORM 51-102F4

BUSINESS ACQUISITION REPORT

Item 1. Name and Address of Company

1.1 Name and Address of Company

GREENRIDGE EXPLORATION INC.

250 – 997 Seymour Street
Vancouver, BC V6B 3M1

1.2 Executive Officer

Simon Tso

Chief Financial Officer
(604) 721-9191

Item 2. Details of Acquisition

2.1 Nature of Business Acquired

On December 30, 2024, Greenridge Exploration Inc. (the “**Company**”) completed its acquisition of all the issued and outstanding shares of ALX Resources Corp. (formerly listed on the TSXV under the symbol ‘AL’) (“**ALX**”) pursuant to an arrangement agreement and plan of arrangement under the *Business Corporations Act* (British Columbia) (the “**Arrangement**”). For additional information about the Arrangement, please see ALX’s management information circular dated October 28, 2024 and available under ALX’s SEDAR+ profile.

ALX’s uranium holdings in northern Saskatchewan include 100% interests in the Gibbons Creek Uranium Project (currently the subject of an option earn-in agreement with Trinex Minerals Ltd., who can earn up to a 75% interest in two stages), the Sabre Uranium Project, the Bradley Uranium Project, the McKenzie Lake Uranium Project, a 40% interest in the Black Lake Uranium Project (a joint venture with Uranium Energy Corporation and Orano Canada Inc.), and a 20% interest in the Hook-Carter Uranium Project, located within the Patterson Lake Corridor with Denison Mines Corp. (80% interest) as operator of exploration since 2016 (currently the subject of an amended property agreement that would increase ALX’s interest to 25% after fulfilling certain conditions).

ALX also owns 100% interests in the Firebird Nickel Project, the Flying Vee Nickel/Gold and Sceptre Gold projects, and can earn up to an 80% interest in the Alligator Lake Gold Project, all located in northern Saskatchewan, Canada. ALX owns, or can earn, up to 100% interests in the Electra Nickel Project and the Cannon Copper Project located in Ontario, Canada, and in the Vixen Gold Project (under option to First Mining Gold Corp., who can earn up to a 100% interest in two stages).

ALX owns a 50% interest in eight lithium exploration properties staked in 2022-2023 collectively known as the Hydra Lithium Project, located in the James Bay region of northern Quebec, Canada, a 100% interest in the Anchor Lithium Project in Nova Scotia, Canada, and 100% interests in the Crystal Lithium Project and the Reindeer Lithium

Project, both located in northern Saskatchewan, Canada.

2.2 Date of Acquisition

December 30, 2024.

2.3 Consideration

Consideration

In consideration for the acquisition of all of the issued and outstanding common shares of ALX, the Company issued 0.045 of a Company common share for each issued and outstanding common share of ALX (the “**Exchange Ratio**”), for an aggregate issuance of 11,226,143 common shares of the Company to the former ALX shareholders.

Pursuant to the Arrangement, all outstanding share purchase warrants of ALX became exercisable to acquire common shares of the Company, with the numbers of securities and exercise prices adjusted in accordance with the Exchange Ratio. As part of the Transaction, all outstanding incentive stock options of ALX vested immediately and were exchanged for incentive stock options of the Company adjusted as to number and price in accordance with the Exchange Ratio, and otherwise with the same terms as the original ALX options except that such options shall terminate on the earlier of: (i) the date of expiry of the ALX option for which it was exchanged; and (ii) the date that is twelve (12) months following the effective date of the Arrangement.

2.4 Effect on Financial Position

Prior to the acquisition of ALX, the Company was focused on the exploration of its Weyman Copper Project located in southeast British Columbia, Canada, its Carpenter Lake Uranium Project located in the Athabasca Basin and the Nut Lake Uranium Project located in the Thelon Basin. As a result of the acquisition of ALX, the Company diversified its portfolio of projects by adding the twenty-three (23) projects of ALX.

The Company does not at present have any plans or proposals for material changes in the Company’s or ALX’s affairs (corporate structure, personnel or management) that will have an impact on the financial performance and financial position of the Company.

2.5 Prior Valuations

None.

2.6 Parties to Transaction

The acquisition was not with an informed person, associate or affiliate of the Company.

2.6 Date of Report

January 23, 2025.

Item 3. Financial Statements

The following financial statements attached as Schedule "A" hereto are included in this Business Acquisition Report:

1. Audited financial statements of ALX for the fiscal years ended December 31, 2023 and 2022.
2. Condensed interim financial statements of ALX for the nine months ended September 30, 2024 and 2023.

The auditors of ALX have not given their consent to include their audit report in this report.

Schedule A to Business Acquisition Report of Greenridge Exploration Inc.

[See attached]



Audited Financial Statements

Year Ended December 31, 2023

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of ALX Resources Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ALX Resources Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at December 31, 2023 and 2022, 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 audits in accordance with Canadian generally accepted auditing standards. 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 audits of the financial statements in Canada, and we have fulfilled our 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is the following key audit matter to communicate in our auditor's report:

Key audit matter:	How our audit addressed the key audit matter:
<p>Assessment of impairment indicators of Exploration and evaluation assets.</p> <p><i>Refer to note 2 – Significant accounting judgments, estimates and assumptions, note 3 – Material accounting policy information: Exploration and evaluation expenditures and note 6 – Exploration and evaluation assets</i></p> <p>Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <p>Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:</p> <ul style="list-style-type: none"> • Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. • Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit. • Confirmed that the Company's right to explore the properties had not expired. • Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

- Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

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 audits of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is William Nichols.

The image shows a handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
April 9, 2024

ALX Resources Corp.
Statements of Financial Position
As at December 31,
(Expressed in Canadian Dollars)

	2023	2022
Assets		
Current		
Cash and cash equivalents	\$ 1,369,485	\$ 2,033,247
Receivables	32,922	164,435
Marketable securities (Note 4)	508,145	360,870
Prepaid expenses and deposits	62,983	236,174
Total Current Assets	1,973,535	2,794,726
Property and equipment (Note 5)	-	35,036
Exploration and evaluation assets (Note 6)	10,023,601	9,610,671
Total Assets	\$ 11,997,136	\$ 12,440,433
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 11)	\$ 133,441	\$ 58,750
Current portion of lease liability (Note 10)	-	45,001
Liability for flow-through shares (Note 7)	30,791	157,392
Total Current Liabilities	164,232	261,143
Equity		
Share capital (Note 8)	23,357,006	22,999,822
Reserves (Note 9)	2,932,156	2,829,446
Deficit	(14,456,258)	(13,649,978)
Total Equity	11,832,904	12,179,290
Total Liabilities and Equity	\$ 11,997,136	\$ 12,440,433

Going concern of operations (Note 2)

Commitment (Note 10)

Events after the reporting period (Note 15)

Approval on behalf of the Board of Directors:

“Warren Stanyer”
 Director

“Patrick Groening”
 Director

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

ALX Resources Corp.
Statements of Comprehensive Loss
For the years ended December 31,
(Expressed in Canadian Dollars)

	2023	2022
Expenses		
Accounting and audit fees	\$ 26,300	\$ 23,000
Advertising and promotion	188,736	238,173
Depreciation	35,036	36,004
Consulting fees and salaries (Note 11)	541,051	519,968
Insurance	30,892	27,851
Investor relations	14,471	43,623
Legal fees	23,799	17,369
Office and general	100,948	93,958
Property investigation	3,433	36,993
Share-based compensation (Notes 9 and 11)	90,749	253,668
Transfer agent and filing fees	26,459	33,530
Travel expenses	25,831	20,534
Operating Expenses	1,107,705	1,344,671
Other Expenses (Income)		
Foreign exchange loss	4	51,428
Gain on sale of exploration and evaluation assets (Note 6)	(1,139,004)	(62,805)
Interest and recovery of office and general (Note 10)	(104,503)	(79,631)
Impairment of exploration and evaluation assets (Note 6)	601,625	348,632
Operator fee income (Note 6(i))	-	(5,318)
Unrealized loss on marketable securities (Note 4)	507,629	300,133
Loss on sale of marketable securities (Note 4)	65,570	115,516
Loss before Income Taxes	1,039,026	2,012,626
Deferred income tax recovery (Note 12)	(232,746)	(133,700)
Net and Comprehensive Loss for the Year	\$ 806,280	\$ 1,878,926
Basic and Diluted Loss Per Share	\$ 0.00	\$ 0.01
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	235,895,114	211,630,462

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

ALX Resources Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, January 1, 2022	207,808,956	\$ 22,038,146	\$ 2,542,733	\$ (11,771,052)	\$ 12,809,827
Issuance of shares for cash (Note 8)	26,125,000	1,045,000	-	-	1,045,000
Issuance of shares for exploration and evaluation assets (Notes 6 and 8)	450,000	15,750	-	-	15,750
Share issuance costs	-	(99,074)	33,045	-	(66,029)
Share-based compensation (Note 9)	-	-	253,668	-	253,668
Net loss for the year	-	-	-	(1,878,926)	(1,878,926)
Balance, December 31, 2022	234,383,956	\$ 22,999,822	\$ 2,829,446	\$ (13,649,978)	\$ 12,179,290
Issuance of shares for cash (Note 8)	14,086,144	386,870	-	-	386,870
Issuance of shares for exploration and evaluation assets (Notes 6 and 8)	400,000	12,000	-	-	12,000
Share issuance costs	-	(41,686)	11,961	-	(29,725)
Share-based compensation (Note 9)	-	-	90,749	-	90,749
Net loss for the year	-	-	-	(806,280)	(806,280)
Balance, December 31, 2023	248,870,100	\$ 23,357,006	\$ 2,932,156	\$ (14,456,258)	\$ 11,832,904

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

ALX Resources Corp.
Statements of Cash Flows
For the years ended December 31,
(Expressed in Canadian Dollars)

	2023	2022
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Net loss for the year	\$ (806,280)	\$ (1,878,926)
Items not involving cash:		
Deferred income tax recovery	(232,746)	(133,700)
Depreciation	35,036	36,004
Finance charges	2,978	8,043
Gain on sale of exploration and evaluation assets	(1,139,004)	(62,805)
Loss on sale of marketable securities	65,570	115,516
Impairment of exploration and evaluation assets	601,625	348,632
Share-based compensation	90,749	253,668
Unrealized loss on marketable securities	507,629	300,133
Changes in non-cash operating working capital:		
Accounts payable and accrued liabilities	68,833	(6,718)
Prepaid expenses	173,191	(24,975)
Receivables	41,664	(3,866)
Net cash flows used in operating activities	(590,755)	(1,048,994)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Exploration and evaluation asset expenditures	(1,283,844)	(3,498,419)
Proceeds from sale of marketable securities	130,526	379,081
Proceeds from sale of exploration and evaluations assets	670,000	1,017,700
Net cash flows used in investing activities	(483,318)	(2,101,638)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:		
Interest and finance charges paid	(2,978)	(8,043)
Issuance of shares for cash	493,015	1,245,000
Repayment of lease liabilities	(45,001)	(39,936)
Share issuance costs	(29,725)	(66,029)
Net cash flows provided from financing activities	415,311	1,130,992
DECREASE IN CASH AND CASH EQUIVALENTS	(658,762)	(2,019,640)
Cash and cash equivalents, beginning of year	2,033,247	4,052,887
Cash and cash equivalents, end of year	\$ 1,374,485	\$ 2,033,247

Supplemental disclosure with respect to cash flows (Note 13)

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

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

ALX Resources Corp. (“ALX” or the “Company”) is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia. The shares of the Company are listed on the TSX Venture Exchange (“TSX-V”) under the symbol ‘AL’, on the Frankfurt Stock Exchange (“FSE”) under the symbol “6LNN” and in the United States OTC market under the symbol ‘ALXEF’. The Company is principally engaged in the acquisition, exploration, and development of mineral properties.

The head office, principal address and registered and records office of the Company are located at 408 – 1199 West Pender Street, Vancouver, BC, Canada, V6E 2R1.

2. BASIS OF PREPARATION

Statement of compliance and basis of measurement

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as fair value through profit or loss (“FVTPL”). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Going concern of operations

These financial statements were prepared on a going concern basis, under the historical cost convention. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

Approval of the financial statements

The financial statements of ALX Resources Corp. for the year ended December 31, 2023 were approved and authorized for issue by the board of directors on April 9, 2024.

Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, 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. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The ability of the Company to continue as a going concern for the next fiscal year;
- assessment as to whether any impairment exists in the valuation of exploration and evaluation assets;
- impairment of marketable securities;
- recovery of taxes and other receivables;
- the useful life and recoverability of property and equipment;
- rehabilitation provisions;
- fair value of share-based payments; and
- deferred income tax asset valuation allowances.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies have been applied consistently throughout the Company for purposes of these financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, term deposits and short-term highly liquid investments with the original term to maturity of twelve months or less, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of changes in value. At December 31, 2023 the Company had \$46,173 (2022 - \$46,173) in cash equivalents.

Short-term investments

Short-term investments are investments which are transitional or current in nature, with an original maturity greater than three months.

Exploration and evaluation expenditures

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Exploration and evaluation expenditures incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, exploration and evaluation expenditures incurred are capitalized. All capitalized exploration and evaluation expenditures are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statement of comprehensive loss to the extent that they are not expected to be recovered.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to “Mines under construction”. There is no amortization during the exploration and evaluation phase.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow-through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds or “premium” are recorded as a liability for flow-through shares on the statement of financial position. When expenditures are incurred, a deferred tax liability is recognized and the liability for flow-through shares in the statement of comprehensive loss is reversed. The net amount is recognized as deferred income tax recovery in the statement of comprehensive loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to Part XII.6 tax on flow-through proceeds renounced under the “Look-back” Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Financial instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes party to the contractual provisions of the instrument.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. MATERIAL SIGNIFICANT ACCOUNTING POLICY INFORMATION - continued

Financial instruments (continued)

i. Financial assets

- Cash and cash equivalents (see above) is classified as subsequently measured at fair value through profit and loss.
- Amounts receivable, exclusive of GST, are non-interest bearing and are recognized at the face amount, except when fair value is materially different, and are subsequently measured at amortized cost. Amounts receivable recorded are net of lifetime expected credit losses. The Company applies the simplified approach to determining expected credit losses, which requires expected credit losses to be recognized upon initial recognition of the receivables.
- Reclamation deposits are classified as subsequently measured at amortized cost.
- Investments in marketable equity securities are classified, at the Company's election, as subsequently measured at fair value through profit and loss. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the statement of financial position date (See Note 4).

ii. Financial liabilities

- Accounts payable are non-interest bearing if paid when due and are recognized at the face amount, except when fair value is materially different. Accounts payable are subsequently measured at amortized cost.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to ten years, which may include vesting provisions and are priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. MATERIAL SIGNIFICANT ACCOUNTING POLICY INFORMATION - continued

Income taxes (continued)

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, nor differences relating to investments in subsidiaries, and associates to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to 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.

Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the common shares are issued.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method for calculating diluted loss per share. Under this method the dilutive effect on loss per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Impairment of non-current assets

Non-current assets are evaluated at least annually by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present the recoverable amount of an asset is evaluated at the level of a cash generating unit (CGU), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in income to the extent that the carrying amount exceeds the recoverable amount.

In calculating the recoverable amount, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement. The determination of discounted cash flows is dependent on a number of factors, including future metal prices, the amount of reserves, the cost of bringing the project into production, production schedules, production costs, sustaining capital expenditures, and site closure, restoration and environmental rehabilitation costs. Additionally, the reviews take into account factors such as political, social and legal and environmental regulations. These factors may change due to changing economic conditions or the accuracy of certain assumptions and, hence, affect the recoverable amount. The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding the projects. Discounted cash flow techniques often require management to make estimates and assumptions concerning reserves and expected future production revenues and expenses.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

As at December 31, 2023 and 2022, the Company has no restoration and environmental obligations.

Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either: (a) the Company has the right to operate the asset; or (b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION – continued

Leases (continued)

If the contract contains a lease, a right-of-use asset and a corresponding lease liability are set-up at the date at which the leased asset is available for use by the Company. The lease payments are discounted using either the interest rate implicit in the lease, if available, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and the finance cost so as to produce a constant rate of interest on the remaining lease liability balance. The Company accounts for the lease and non-lease components separately. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

4. MARKETABLE SECURITIES

The Company holds marketable securities in quoted public companies. The investments are measured at fair value using a level 1 input in the fair value hierarchy. The shares are publicly listed on the Toronto Stock Exchange or the TSX Venture Stock Exchange or the Australian Securities Exchange and published price quotes are widely available. The aggregate amount of the investments can be summarized as follows:

	December 31, 2023		December 31, 2022	
	Cost	Fair Market Value	Cost	Fair Market Value
Cosa Resources Corp.	\$ 72,000	\$ 67,500	\$ -	\$ -
First Mining Gold Corp.	175,000	168,731	100,000	88,977
Forrestania Resources Ltd.	600,000	115,418	-	-
Global Uranium & Enrichment Ltd.	478,338	145,299	542,739	257,805
Manitou Gold Inc.	-	-	19,695	4,545
Pegasus Resources Inc.	4,000	4,400	12,000	5,000
Nuclear Fuels Inc.	16,520	6,797	16,520	4,543
Total	\$ 1,345,858	\$ 508,145	\$ 690,954	\$ 360,870

5. PROPERTY AND EQUIPMENT

	Right-of-use asset (Note 10)
	\$
Cost:	
Balance, December 31, 2022	175,184
Additions	-
Balance, December 31, 2023	175,184
Accumulated depreciation:	
Balance, December 31, 2022	140,148
Additions	35,036
Balance, December 31, 2023	175,184
Carrying amounts:	
Balance, December 31, 2022	35,036
Balance, December 31, 2023	-

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to its mineral properties, and, to the best of its knowledge, except as described below, they are properly registered and in good standing.

	Energy Metals and Gold Properties	Uranium Properties	Total
Balance, January 1, 2022	\$ 2,726,243	\$ 5,794,034	\$ 8,520,277
Additions during the year-			
Property acquisition costs			
Cash	76,038	-	76,038
Staking	93,811	-	93,811
Common shares	15,750	-	15,750
Property exploration costs			
Assays	85,462	7,325	92,787
Camp	191,719	217,703	409,422
Drilling	647,791	330,577	978,368
Field supplies and rentals	182,993	97,147	280,140
Geological and field personnel	439,644	229,374	669,018
Other	(43,914)	19,277	(24,637)
Surveying costs	530,629	353,343	883,972
Travel and accommodation	59,421	38,859	98,280
Total additions during the year	2,279,344	1,293,605	3,572,949
Proceeds received from sale or earn-in of exploration and evaluation assets	(244,874)	(1,889,049)	(2,133,923)
Impairment	(348,632)	-	(348,632)
Balance, December 31, 2022	\$ 4,412,081	\$ 5,198,590	\$ 9,610,671
Additions during the year-			
Property acquisition costs			
Cash	66,547	-	66,547
Staking	66,459	-	66,459
Common shares	12,000	-	12,000
Property exploration costs			
Assays	34,554	18,146	52,700
Camp	33,100	24,881	57,981
Field supplies and rentals	100,283	20,594	120,877
Geological and field personnel	331,698	121,171	452,869
Other	(196,139)	557	(195,582)
Surveying costs	434,181	236,100	670,281
Travel and accommodation	66,482	25,937	92,419
Total additions during the year	949,165	447,386	1,396,551
Proceeds received from sale or earn-in of exploration and evaluation assets	(381,428)	(568)	(381,996)
Impairment	(546,700)	(54,925)	(601,625)
Balance December 31, 2023	\$ 4,433,118	\$ 5,590,483	\$ 10,023,601

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties

Note	-----Energy Metals Properties-----						-----Gold Properties-----				Total
	Firebird Nickel Project	Electra Nickel Project	Flying Vee Nickel Project	Hydra Lithium Project	Anchor Lithium Project	Cannon Copper	Staked Energy Metals Properties	Alligator Gold Project	Vixen Gold Project	Other Gold Properties	
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Balance, January 1, 2022	\$ 1,195,369	\$ 306,345	\$ 172,537	\$ -	\$ -	\$ 93,872	\$ 369,216	\$ 369,934	\$ 126,425	\$ 92,545	\$ 2,726,243
Additions during the year --											
Property acquisition costs											
Cash	-	20,000	-	-	-	-	26,038	30,000	-	-	76,038
Staking	394	100	1,988	68,221	19,870	2,250	-	-	-	988	93,811
Common shares	-	7,000	-	-	-	-	-	8,750	-	-	15,750
Property exploration costs											
Assays	-	70,773	-	2,056	-	-	-	12,633	-	-	85,462
Camp	-	60,361	9,715	635	-	-	-	121,008	-	-	191,719
Drilling	-	234,266	-	-	-	-	-	413,525	-	-	647,791
Field supplies and rentals	910	25,383	3,668	1,951	-	-	192	150,689	-	200	182,993
Geological and field personnel	55,600	78,551	53,143	34,514	7,870	6,598	1,951	174,581	10,744	16,092	439,644
Other	5,321	369	-	-	-	369	-	(50,000)	27	-	(43,914)
Surveying costs	-	60,105	299,936	-	-	-	-	93,373	-	77,215	530,629
Travel and accommodation	-	21,005	7,518	14,581	1,590	-	-	14,727	-	-	59,421
Total additions during the year	62,225	577,913	375,968	121,958	29,330	9,217	28,181	969,286	10,771	94,495	2,279,344
Proceeds from earn-in of exploration and evaluation assets	(78,179)	-	-	-	-	-	-	-	(137,195)	(29,500)	(244,874)
Impairment of exploration and evaluation assets	-	-	-	-	-	-	(348,632)	-	-	-	(348,632)
Balance, December 31, 2022	\$ 1,179,415	\$ 884,258	\$ 548,505	\$ 121,958	\$ 29,330	\$ 103,089	\$ 48,765	\$ 1,339,220	\$ 1	\$ 157,540	\$ 4,412,081
Additions during the year --											
Property acquisition costs											
Cash	-	25,000	-	-	-	-	6,547	35,000	-	-	66,547
Staking	-	-	-	23,408	820	2,244	39,987	-	-	-	66,459
Common shares	-	4,500	-	-	-	-	-	7,500	-	-	12,000
Property exploration costs											
Assays	-	-	-	9,613	8,885	-	-	16,056	-	-	34,554
Camp	-	-	-	32,867	-	-	233	-	-	-	33,100
Field supplies and rentals	-	12,349	-	87,583	-	-	-	351	-	-	100,283
Geological and field personnel	3,150	25,058	9,090	256,180	20,260	852	3,690	1,584	-	11,834	331,698
Other	-	(197,600)	-	-	-	-	-	-	-	1,461	(196,139)
Surveying costs	-	-	-	418,366	11,503	-	4,312	-	-	-	434,181
Travel and accommodation	-	-	-	60,186	6,296	-	-	-	-	-	66,482
Total additions during the year	3,150	(130,693)	9,090	888,203	47,764	3,096	54,769	60,491	-	13,295	949,165
Proceeds from earn-in of exploration and evaluation assets	-	-	-	(377,428)	-	-	-	-	-	(4,000)	(381,428)
Impairment of exploration and evaluation assets	-	-	(371,170)	-	-	-	(55,315)	-	-	(120,215)	(546,700)
Balance, December 31, 2023	\$ 1,182,565	\$ 753,565	\$ 186,425	\$ 632,733	\$ 77,094	\$ 106,185	\$ 48,219	\$ 1,399,711	\$ 1	\$ 46,620	\$ 4,433,118

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

i) Firebird Nickel

The Firebird Nickel Project (“Firebird”) is located approximately 14 kilometres northwest of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking most of the claims in May of 2019. The project is prospective for nickel, copper, and cobalt. Included within the Firebird Nickel Project are the Axis Lake, Currie Lake, and Rea Lake claims. ALX acquired a 100% interest in these claims from three separate vendors by paying a total of \$52,000 and issuing 3,950,000 common shares valued at \$133,500. The vendors each retained a 2.0% net smelter returns royalty (“NSR”) and the Company has the right to purchase up to half of the NSRs for a total of \$5.0 million.

On August 21, 2020 (the “Effective Date”) and as amended below, ALX entered into an option agreement with Rio Tinto Exploration Canada Inc. (“Rio Tinto”) on the Company’s Firebird Nickel Project. Rio Tinto may acquire up to an 80% interest in Firebird by incurring a total of \$12.0 million in exploration expenditures over seven years and by making cash payments to ALX totaling \$150,000, as outlined in the following summary:

- Rio Tinto may acquire a 51% interest in Firebird (the “First Option”) by funding \$3.0 million in exploration expenditures within four years of the agreement date;
- Carrying out an initial exploration program of not less than \$150,000, to be completed within six months of the Effective Date (completed);
- Making a \$50,000 cash payment to ALX within 45 days of the Effective Date (received); and
- On December 1, 2022, the First Option earn-in period was amended from three to four years for cash consideration of \$25,000 (received).

Upon Rio Tinto acquiring a 51% interest in Firebird, it may elect to form a joint venture on terms established by the parties in a separate joint venture agreement, or give notice to ALX that it wishes to pursue its right to acquire up to an 80% interest (the “Second Option”). To earn an additional 29% interest in Firebird Rio Tinto must:

- Fund an additional \$9.0 million in exploration over an additional three-year period for total expenditures by Rio Tinto of \$12.0 million over seven years; and
- Make a cash payment to ALX of \$75,000 for total cash consideration of \$150,000.

ALX has acted as operator of exploration (the “Operator”) but Rio Tinto may, at its sole discretion, appoint itself to act as Operator at any time during the First or Second Option periods. Either party while acting as Operator may charge a 10% administrative fee on exploration expenditures.

ALX has received notice from Rio Tinto to terminate the option agreement and therefore ALX will retain its 100% interest in the Firebird Nickel Project.

ii) Electra Nickel Project

On December 17, 2020, the Company executed an option agreement to acquire up to a 100% interest in the Electra Nickel Project located near Thunder Bay, Ontario. The TSX Venture Exchange approved the agreement on January 6, 2021 and this date is also deemed to be the “Anniversary Date” of the agreement. To earn its interest, the Company will pay a total of \$135,000 in cash, issue 1.1 million common shares, and incur \$500,000 in exploration expenditures according to the following schedule:

- A non-refundable \$3,000 cash payment paid by ALX as a pre-option payment for an exclusive 45-day period during which ALX conducted due diligence on the Project (completed);
- On the approval of TSX Venture Exchange: \$7,000 in cash (paid) and 300,000 common shares (issued and valued at \$25,500);
- On or before 1st Anniversary Date: \$15,000 in cash (paid) and 250,000 common shares (issued and valued at \$21,250), and \$100,000 in exploration expenditures (completed);
- On or before 2nd Anniversary Date: \$20,000 in cash (paid) and 200,000 common shares (issued and valued at \$7,000), and an additional \$100,000 in exploration expenditures (completed);

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

ii) Electra Nickel Project - continued

- On or before 3rd Anniversary Date: \$25,000 in cash (paid) and 150,000 common shares (issued and valued at \$4,500), and an additional \$100,000 in exploration expenditures (completed);
- On or before 4th Anniversary Date: \$30,000 in cash and 100,000 common shares, and an additional \$100,000 in exploration expenditures;
- On or before 5th Anniversary Date: \$35,000 in cash and 100,000 common shares and an additional \$100,000 in exploration expenditures.

The property is subject to a 2.5% NSR. At any time, ALX shall have the right to purchase up to 1.5% of the NSR in three increments for \$500,000 per increment. The agreement was approved by the TSX Venture Exchange on January 6, 2021. In March 2021, the Company staked additional claims in the surrounding area.

iii) Flying Vee Nickel Project

Flying Vee is located approximately 25 kilometres north of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking in April 2019. In June 2021, the Company staked additional claims in the surrounding area. This project is prospective for nickel, copper, and cobalt.

During the year ended December 31, 2023, the Company paired down these claims to the most prospective areas and recorded an impairment charge of \$371,170.

iv) Hydra Lithium Project

The Hydra Lithium Project is located in the James Bay region of northern Quebec, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-cesium-tantalum type pegmatites.

On May 4, 2023, the Company granted an option to Forrestania Resources Limited (“Forrestania”) to earn a 50% interest in the Company’s Hydra Lithium Project (“Hydra”). On July 7, 2023, Forrestania exercised their option to acquire a 50% interest in Hydra by paying \$400,000 in cash, and issuing \$600,000 in Forrestania common shares to ALX. As of July 7, 2023, ALX had incurred \$377,428 of exploration expenditures and accordingly, recorded \$622,572 gain on disposal of its 50% interest in Hydra.

A joint venture will be formed between the parties to explore and administer Hydra, with ALX acting as operator in exchange for an industry-standard administration fee. Upon the creation of the joint venture, ALX and Forrestania will each vest with a 1.50% NSR.

v) Anchor Lithium Project

The Anchor Lithium Project is located in the central and western Nova Scotia, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-bearing pegmatites.

vi) Cannon Copper (formerly the “Kamichisitit Claims”)

In June 2012, the Company acquired, by staking, claims located in Kamichisitit Township, situated approximately 40 kilometres north of Iron Bridge, Ontario. This project is prospective for copper.

vii) Other Staked Energy Metals Properties

On June 11, 2018, the Company entered into an agreement to acquire a 100% interest in the Tango Property, located in Northern Saskatchewan from DG Resource Management Ltd., a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$40,000 and granted a NSR of 2%.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

vii) Other Staked Energy Metals Properties - continued

Within five years of closing, the Company may purchase up to half of the NSR for \$2,000,000. The agreement was approved by the TSX Venture Exchange on August 21, 2018. During the year ended December 31, 2022, the Company recorded an impairment charge of \$214,165.

The Draco VMS Project is located in Grong district of Norway and ALX acquired a 100% interest by staking in May 2019. This project is prospective for copper-zinc-gold-silver. During the year ended December 31, 2022, the Company paired down these claims to the most prospective areas and recorded an impairment charge of \$134,467. During the year ended December 31, 2023, the Company recorded an additional impairment charge of \$55,315.

The Crystal Lithium Project is located in northern Saskatchewan, Canada and ALX has acquired a 100% interest by staking in February 2023. This project is prospective for lithium in lithium-cesium-tantalum type pegmatites.

On March 10, 2023, the Company acquired the Reindeer Lithium Project in northern Saskatchewan by paying \$12,500 to the vendor for a 100% interest. The vendor also retains 2.0% NSR. ALX is entitled to purchase one-half of the NSR (1.0%) from the vendor at any time within five years from closing of the transaction for \$2,000,000.

viii) Alligator Gold Project

On February 18, 2021, ALX entered into an option agreement with Alligator Resources Ltd. (“Optionor”), whereby the Company may acquire up to an 80% interest in the Optionor’s Alligator Gold Project, located in Saskatchewan, by incurring a total of \$1.25 million in exploration expenditures over four years, issuing 1,500,000 common shares of the Company and by making cash payments to the Optionor totaling \$150,000, as outlined in the following summary:

- The Company has acquired a 51% interest in the Alligator property (the “First Option”) by funding \$500,000 (completed) in exploration expenditures, making cash payment totalling \$70,000 and issuing an aggregate of 750,000 common shares of the Company by December 31, 2022.
- The Company may elect to pursue its right to acquire up to an 80% interest in the project (the “Second Option”). To earn an additional 29% interest in the Alligator property the Company must:
 - On or before December 31, 2023, the Company shall make a cash payment of \$35,000 (paid) and issue an additional 250,000 common shares (issued and valued at \$7,500) of the Company;
 - On or before December 31, 2024, the Company shall make a cash payment of \$45,000 and issue an additional 500,000 common shares of the Company; and
 - The Company shall incur additional expenditures of at least \$750,000 at the property.

Upon the Company earning an 80% interest in the property the Company and the Optionor shall form a joint venture with the terms to be negotiated under a separate joint venture agreement.

Two of the claims comprising the property are subject to an underlying 2.5% NSR on the sale of valuable minerals from the project. At any time, ALX shall have the right to purchase 1.25% of the NSR for US\$1,000,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

ix) Vixen Gold Project

On September 24, 2019, the Company entered into an agreement to acquire a 100% interest in the Vixen Gold Project, located in Red Lake Mining District of Ontario from DG Resource Management Ltd. (“DG”), a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$30,605 to reimburse staking costs and agreed to an exclusive three-year geological service agreement with DG. DG retained a NSR of 2%. The Company may at any time acquire 1% of the NSR by paying \$1,500,000. The agreement was approved by the TSX Venture Exchange on October 22, 2019.

On March 24, 2021, ALX entered into a purchase agreement to acquire a 100% interest in eight claims contiguous to the Company’s Vixen Gold Project in exchange for \$2,500 (paid) and issuing 200,000 common shares (issued and valued at \$19,000) of the Company. The vendor has retained a net smelter royalty (“NSR”) of 1.5%. The Company may at any time purchase the NSR by paying \$1,500,000.

On May 7, 2021, ALX entered into a purchase agreement to acquire a 100% interest in fourteen claims and one patented claim contiguous to the Company’s Vixen Gold Project in exchange for \$40,000 (paid) and issuing 500,000 common shares (issued and valued at \$30,000) of the Company. The vendor retained an NSR of 2.5%. The Company may at any time acquire 1.25% of the NSR by paying \$1,250,000.

On September 7, 2021 and as amended on September 15, 2023, ALX entered into an earn-in option agreement with First Mining Gold Corp. (“First Mining”) for all claims within ALX’s 100% owned Vixen Gold Project (“Vixen”). First Mining will have the option to earn an initial 70% interest in Vixen by paying cash and common shares totalling \$1,000,000, and incurring \$500,000 in exploration expenditures. Upon completing the first stage of the earn-in, First Mining will hold, a 70% interest in Vixen and may acquire the remaining 30% interest in Vixen by paying cash and common shares totaling \$1,000,000. In summary, First Mining may acquire a 100% interest in Vixen by paying cash and common shares totalling \$2,000,000, and incurring \$500,000 in exploration expenditures. The value and number of common shares to be issued by First Mining will be calculated using the prior day’s 20-day VWAP. Details of the agreement are as follows:

- For First Mining to acquire a 70% interest in Vixen (the “First Option”) it must:
 - On closing, pay \$250,000 in cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2022, pay \$100,000 cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2023, issue \$175,000 of common shares to ALX (received);
 - On or before September 15, 2024, issue \$175,000 of common shares to ALX;
 - On or before September 15, 2025, issue \$100,000 of common shares to ALX; and
 - On or before September 15, 2025, fund and incur \$500,000 of Vixen exploration expenditures.
- Upon First Mining acquiring a 70% interest in Vixen, it may elect to acquire up to an 100% interest in Vixen within two years (the “Second Option”). To earn an additional 30% interest, First Mining must pay \$500,000 in cash and issue \$500,000 of common shares to ALX. In the event that First Mining elects not to complete the Second Option of the earn-in, ALX and First Mining will enter into a 70%-30% joint venture agreement with respect to Vixen.
- Under the agreement First Mining assumes the underlying NSR agreements. Further, the Company has been granted a 2% NSR on certain claims of which First Mining can repurchase 1% for \$1,000,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

x) Other Gold Properties

In July and November 2020, the Company acquired by staking a 100% interest in several claim blocks prospective for gold located in Saskatchewan by staking the Sceptre Gold Project and the Hummingbird Gold Project. During the year ended December 31, 2023, the Company recorded a full impairment charge for Sceptre and a partial impairment charge for Hummingbird totalling \$120,215.

On October 5, 2021, the Company granted an option to Pegasus Resources Inc. (“Pegasus”) to acquire an interest in four claims that form part of the Hummingbird Gold Project. Pegasus can earn a 70% interest by paying \$50,000, issuing 70,000 common shares, and incurring \$300,000 of exploration expenditures over three years. If Pegasus does not earn a 70% interest, the option will be terminated and ALX will retain a 100% interest. Pegasus can earn the remaining 30% interest by paying \$200,000 and issuing 50,000 common shares by the 5th anniversary of the agreement date, otherwise a joint venture would be formed. To the end of the reporting period, the Company has received \$50,000 and 45,000 common shares valued at \$16,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

Note	Gibbons Creek (xi)	Hook- Carter (xii)	Black Lake (xiii)	Sabre (xiv)	Bradley Lake (xv)	Javelin (xvi)	McKenzie Lake (xvii)	Carpenter Lake (xviii)	Cluff Lake (xix)	Other Uranium Properties (xx)	Total
Balance, January 1, 2022	\$ 1,741,174	\$ 15,411	\$ 1,627,467	\$ 30,127	\$ -	\$ 82,415	\$ 86,484	\$ 299,943	\$ 565	\$ 1,910,448	\$ 5,794,034
Additions during the year --											
Property exploration costs											
Assays	7,005	-	-	165	-	-	155	-	-	-	7,325
Camp	204,551	-	-	13,152	-	-	-	-	-	-	217,703
Drilling	330,577	-	-	-	-	-	-	-	-	-	330,577
Field supplies	93,403	-	-	2,664	-	-	-	-	568	512	97,147
Geological and field personnel	188,794	-	405	20,992	-	3,516	5,220	-	300	10,147	229,374
Other expenses	19,277	-	-	-	-	-	-	-	-	-	19,277
Surveying costs	53,100	-	-	56,200	-	149,627	69,266	-	-	25,150	353,343
Travel and accommodation	32,856	-	-	6,003	-	-	-	-	-	-	38,859
Total additions during the year	929,563	-	405	99,176	-	153,143	74,641	-	868	35,809	1,293,605
Proceeds received from earn-in of exploration and evaluation assets	-	-	-	-	-	-	-	-	(865)	(1,888,184)	(1,889,049)
Balance, December 31, 2022	\$ 2,670,737	\$ 15,411	\$ 1,627,872	\$ 129,303	\$ -	\$ 235,558	\$ 161,125	\$ 299,943	\$ 568	\$ 58,073	\$ 5,198,590
Additions during the year --											
Property exploration costs											
Assays	12,235	-	-	5,304	-	-	607	-	-	-	18,146
Camp	15,748	-	-	-	-	-	9,133	-	-	-	24,881
Field supplies	10,212	-	-	514	-	133	6,620	3,115	-	-	20,594
Geological and field personnel	17,348	-	-	27,978	1,930	14,561	57,381	1,973	-	-	121,171
Other expenses	3,670	-	-	-	-	-	-	(3,113)	-	-	557
Surveying costs	24,605	-	-	140,047	-	5,025	66,423	-	-	-	236,100
Travel and accommodation	7,209	-	-	8,721	-	-	10,007	-	-	-	25,937
Total additions during the year	91,027	-	-	182,564	1,930	19,719	150,171	1,975	-	-	447,386
Proceeds received from earn-in of exploration and evaluation assets	-	-	-	-	-	-	-	-	(568)	-	(568)
Impairment of exploration and evaluation assets	-	-	-	-	-	-	-	-	-	(54,925)	(54,925)
Balance, December 31, 2023	\$ 2,761,764	\$ 15,411	\$ 1,627,872	\$ 311,867	\$ 1,930	\$ 255,277	\$ 311,296	\$ 301,918	\$ -	\$ 3,148	\$ 5,590,483

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xi) Gibbons Creek Property

In 2013, the Company acquired, by staking, claims known as the Gibbon's Creek Property. Additionally, on November 27, 2013, the Company announced that it signed a joint venture agreement (the "JV Agreement") with Star Minerals Group Ltd. ("Star Minerals") granting the Company an option to acquire a 100% interest in additional claims located in the Athabasca Basin, near the Gibbons Creek Property. Under the terms of the JV agreement, the Company earned a 100% interest in the additional claims by paying \$60,000 (paid) and issuing 200,000 common shares (issued). Star Minerals will retain the option of a 25% buyback for four times the exploration monies spent by the Company to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90-day period following the completion and publication of a NI 43-101 compliant resource estimate.

xii) Hook-Carter Property

Prior to the definitive agreement described below, the Hook-Carter Property was 100% owned by the Company, subject to various royalties. The property was acquired mostly by staking with certain claims being acquired in 2015 by paying \$40,000 and issuing 266,667 common shares valued at \$28,000. It is located in the Patterson Lake Corridor on the southwest side of the Athabasca Basin in Saskatchewan.

On November 4, 2016, the Company completed the sale of an 80% interest in the Hook-Carter Property to Denison Mines Corp. ("Denison"). Under the terms of the agreement, the Company received 7.5 million common shares of Denison with a value of \$3.825 million in exchange for an immediate 80% interest in the property. ALX retained a 20% interest in the property and Denison has agreed to fund ALX's share of the first \$12.0 million in expenditures.

On November 4, 2019, under the terms of the definitive agreement, Denison and ALX agreed to the formation of a deemed joint venture, and that the parties will make best efforts to execute a joint venture agreement prior to Denison's funding of the first \$12.0 million in expenditures.

In November 2016, Denison also purchased the Coppin Lake property from Orano Canada Inc. and UEX Corporation for cash payments of \$35,000 and a 1.5% NSR. Under the terms of the Hook-Carter Property agreement, Denison and ALX have elected to have these claims form part of the Hook-Carter Property and ALX's interest in these claims will be the same as its interest in the Hook-Carter Property.

xiii) Black Lake Project

On September 5, 2017, the Company entered into option agreement with UEX Corporation ("UEX") to earn up to a 75% interest in the Black Lake Project. ALX's option to acquire up to a 75% interest in the project has expired, but the Company has earned and maintained a 40% participating interest in the project by issuing 5,000,000 common shares and incurring certain exploration expenditures.

xiv) Sabre Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in Sabre Uranium Project. The claims are located in the Athabasca Basin area of Saskatchewan, Canada.

xv) Bradley Uranium Project

During the year ended December 31, 2023, the Company acquired by staking a 100% interest in the Bradley Uranium Project. The claim is located approximately 30 kilometres northwest of Stony Rapids, Saskatchewan, Canada.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xvi) Javelin Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in Javelin Uranium Project. The claims are located in the eastern margin of the Athabasca Basin of Saskatchewan, Canada.

xvii) McKenzie Lake Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in McKenzie Lake Uranium Project. The claims are located in the eastern margin of the Athabasca Basin of Saskatchewan, Canada.

On September 21, 2021, the Company entered into a purchase agreement to acquire a 100% interest in additional claims adjacent to its staked McKenzie Lake claims. The vendor will retain a 2% Net Smelter Royalty (“NSR”) on the Properties, 1% of which can be purchased by the Company for \$1,000,000. To complete the purchase, the Company paid \$7,500 and issued 250,000 common shares (valued at \$30,000). The transaction was approved by the TSX-V on October 4, 2021.

xviii) Carpenter Lake Property

On January 13, 2014, the Company entered into an option agreement with Renegade Gold Inc. (“Renegade”) to acquire a 60% interest in the Carpenter Lake property located in Northern Saskatchewan. The Company has earned its interest by paying \$60,000, issuing 200,000 common shares valued at \$93,000, and incurring at least \$1,250,000 in exploration expenditures.

As of November 10, 2014, a joint venture was formed between the Company (60%) and Renegade (40%) for the further development of the property, with the Company serving as the operator. The property is subject to a royalty equal to 5% of gross revenues, which is owned by the original vendors.

xix) Cluff Lake Project

This property is owned 50% by the Company and 50% by Rio Tinto Ltd. The Bridle Lake Property is located adjacent to the north of the former Cluff Lake Mine area in the western portion of the Athabasca Basin in Northern Saskatchewan. During the year ended December 31, 2023, the Company sold its remaining interest for \$250,000.

xx) Other Uranium Properties

On January 28, 2022, ALX completed a sale agreement with Okapi Resources Limited (“Okapi”) where Okapi has acquired the Company’s interests in the following six uranium exploration properties: Newnham Lake, Kelic Lake, Argo, Lazy Edward Bay, Perch, and certain Cluff Lake claims. Okapi paid total consideration of \$1,933,519 (\$2.1 million Australian dollars (“AUD”)) consisting of cash payments of \$996,184 (AUD\$1,050,000), including a \$44,470 (AUD\$50,000) non-refundable deposit (received in 2021), and 3,227,790 common shares of Okapi valued at \$937,335 (AUD\$1,050,000). The common shares received from Okapi are subject to an escrow agreement with a release schedule as follows: 33% after six months, 33% after nine months, and 34% after twelve months from the closing date.

Under the agreement Okapi assumes the underlying NSR royalties. Further, the Company has been granted a 1.5% NSR on certain mineral claims that did not previously bear any existing royalties. Okapi may at any time acquire up to 50% of ALX’s NSR by paying ALX \$1,000,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xx) Other Uranium Properties – continued

Staked Properties

During the year ended December 31, 2021, the company acquired by staking a 100% interest in various claims in the Athabasca Basin area of Saskatchewan, Canada. These staked claims are known as Edge, Sphere, and Vulcan. On September 30, 2023, the Company recorded an impairment charge of \$54,925.

Prior to the year ended December 31, 2023, the Company sold most of its staked claims in two separate transactions. The first sale transaction for certain claims included \$20,000 in cash (received) and 150,000 common shares valued at \$72,000 (received). The second sale transaction included \$20,000 in cash (received and included in accounts payable) and 750,000 common shares (received subsequently – See Note 15).

7. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During the fourth quarter of 2023, the Company issued a total of 14,086,144 units on a flow-through basis at \$0.035 per unit for gross proceeds \$493,015 and recognized a liability for flow-through shares of \$106,145. The Company has spent \$350,000 of the flow-through funds and has reversed \$75,354 of the flow through liability.

During November 2022, the Company issued a total of 20,000,000 units on a flow-through basis at \$0.05 per unit for gross proceeds \$1,000,000 and recognized a liability for flow-through shares of \$200,000. The Company has spent \$1,000,000 of the flow-through funds and has reversed \$200,000 of the flow through liability.

At December 31, 2023, the amount of flow-through proceeds remaining to be expended is \$143,015 (December 31, 2022 - \$786,962) and the balance of the liability for flow-through shares is \$30,791 (December 31, 2022 - \$157,392).

8. SHARE CAPITAL

- a) Authorized: Unlimited number of common shares without nominal or par value.
- b) Issued: The total issued and outstanding shares of the Company at December 31, 2023 is 248,870,100 (December 31, 2022 – 234,383,956).

During the year ended December 31, 2023:

- i) During the fourth quarter of 2023, the Company closed a non-brokered private placement consisting of 14,086,144 flow-through units for gross proceeds of \$493,015 (with \$106,145 being recognized as a liability for flow-through shares). The flow-through units were sold at a price of \$0.035 per unit, consisting of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to purchase one non-flow through common share of the Company at a price of \$0.05 for up to two years from closing. In conjunction with the private placement the Company paid finder's fees of \$25,412 and issued 726,043 finder fee warrants valued at \$11,961. Each warrant is exercisable at \$0.05 per common share of the Company for a period of two years from closing.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

8. SHARE CAPITAL - continued

- ii) On December 18, 2023, issued 150,000 common shares for the Electra Nickel Project exploration and evaluation assets.
- iii) On December 18, 2023, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.

During the year ended December 31, 2022:

- iv) During November 2022, the Company closed a non-brokered private placement consisting of 20,000,000 flow-through units (“FT Units”) at \$0.05 each and 6,125,000 non-flow-through units (“NFT Units”) at \$0.04 each for gross proceeds of \$1,245,000 (with \$200,000 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through share and one-half of one non-flow-through common share purchase warrant in the capital of the Company. Each NFT Unit consists of one common share and one-half of one non-flow-through common share purchase warrant in the capital of the Company. Each whole warrant exercisable into one common share of the Company for a period of three years from closing at an exercise price of \$0.075 per common share.

In conjunction with the private placement, the Company paid finders fees of \$56,850 and issued 1,137,000 finder fee warrants valued at \$33,045. Each warrant is exercisable into one common share of the Company at \$0.05 for a period of three years from closing.
- v) On December 20, 2022, issued 200,000 common shares for the Electra Nickel Project exploration and evaluation assets.
- vi) On December 20, 2022, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.

c) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	December 31, 2023		December 31, 2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	89,557,960	0.11	87,146,593	0.12
Expired	(46,082,587)	0.12	(11,788,133)	0.13
Issued	14,812,187	0.05	14,199,500	0.07
Balance, end of year	58,287,560	0.085	89,557,960	0.11

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

c) Warrants: - continued

The following warrants were outstanding as at December 31, 2023:

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
June 21, 2024*	\$ 0.120	14,801,250	0.47
June 21, 2024*	\$ 0.150	2,690,000	0.47
June 25, 2024*	\$ 0.120	790,000	0.48
June 25, 2024*	\$ 0.150	250,000	0.48
December 17, 2024**	\$ 0.080	10,064,623	0.96
December 30, 2024**	\$ 0.080	680,000	1.00
November 3, 2025	\$ 0.075	8,900,000	1.84
November 3, 2025	\$ 0.050	1,005,000	1.84
November 10, 2025	\$ 0.050	7,520,901	1.86
November 17, 2025	\$ 0.075	3,062,500	1.88
November 21, 2025	\$ 0.075	1,100,000	1.89
November 21, 2025	\$ 0.050	132,000	1.89
November 30, 2025	\$ 0.050	6,148,000	1.92
December 29, 2025	\$ 0.050	1,143,286	2.00
Total		58,287,560	

Weight average remaining life of warrants outstanding 1.26

* The original expiry dates of these warrants were extended by 12 months

** The original expiry dates of these warrants were extended by 24 months

The Company applies the fair value method in accounting for its finder fee warrants using the Black-Scholes pricing model. During the year ended December 31, 2023, the Company issued 726,043 (2022 – 1,137,000) finder fee warrants. The finder fee warrants granted resulted in share issue costs of \$11,961 (2022- \$33,045). The following parameters were used to value finder fee warrants:

	December 31, 2023	December 31, 2022
Expected Life	2 years	3 years
Risk-free interest rate	4.39%	4.01%
Annualized volatility	142%	130.14%
Dividend rate	n/a	n/a
Fair value of shares at grant date	\$0.016	\$0.03

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

9. RESERVES

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the board of directors but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option is limited to a maximum term of ten years.

The following stock option grants were issued during the year ended December 31, 2023 and the year ended December 31, 2022:

- On June 26, 2023 the Company granted 4,800,000 stock options (2,300,000 were issued to Directors and Officers) with an exercise price of \$0.05 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.
- On January 4, 2022 the Company granted 3,350,000 stock options (2,500,000 were issued to Directors and Officers) with an exercise price of \$0.09 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.

The following is a summary of option transactions under the Company's stock option plan for the year ended December 31, 2023 and the year ended December 31, 2022:

	December 31, 2023		December 31, 2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	14,300,000	\$ 0.08	13,650,000	\$ 0.08
Expired/Cancelled	-	-	(2,700,000)	0.11
Granted	4,800,000	0.05	3,350,000	0.09
Balance, end of year	19,100,000	\$ 0.07	14,300,000	\$ 0.08

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

9. RESERVES - continued

The following stock options were outstanding and exercisable as at December 31, 2023:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Remaining Contractual Life (Years)
June 6, 2024	\$ 0.070	3,400,000	3,400,000	0.43
January 16, 2025	\$ 0.070	2,900,000	2,900,000	1.05
September 25, 2025	\$ 0.100	1,050,000	1,050,000	1.74
February 26, 2026	\$ 0.075	3,450,000	3,450,000	2.16
March 15, 2026	\$ 0.100	150,000	150,000	2.21
January 7, 2027	\$ 0.090	3,350,000	3,350,000	3.01
June 26, 2028	\$ 0.050	4,800,000	1,600,000	4.49
Total		19,100,000	15,900,000	
Weighted average remaining life of stock options outstanding and exercisable				1.97

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the year ended December 31, 2023, the Company issued a total of 4,800,000 (December 31, 2022 – 3,350,000) incentive stock options to directors, officers, employees, and consultants of the Company. During the year ended December 31, 2023, the options issued and vested resulted in share-based payments of \$90,749 (December 31, 2022 – \$253,668). The following parameters were used to value the stock options:

	December 31, 2023	December 31, 2022
Expected Life	5 years	5 years
Risk-free interest rate	3.70%	1.33%
Annualized volatility	127.86%	115.04%
Dividend rate	N/A	N/A
Fair value of shares at grant date	0.02	0.07

10. COMMITMENT/LEASE LIABILITY

On January 1, 2019 the Company entered into a new five-year office lease. The Company is required to pay annual operating costs plus annual base rent of \$44,425 per year in the first two years and \$47,979 per year in the final three years of the lease. The Company rents out a portion of its office for one-half of the Company's monthly lease obligation. The sub-tenant is also responsible for one-half of the annual operating costs payable under the office lease. Sub-leases are included in interest and recovery of office and general on the statement of comprehensive loss.

The Company has renewed its lease by entering into a new three agreement which will be commencing on January 1, 2024. Annual base lease payments are \$47,979 in year one, \$51,553 in year two, and \$55,087 in year three. All other terms will remain the same.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

10. COMMITMENT/LEASE LIABILITY - continued

The underlying lease payments have been discounted, at the inception of the lease, using the Company's incremental borrowing rate of 12%. On January 1, 2019, the present value of future lease payments and initial recognition of the right-of-use asset totaled \$175,184 (See Note 5).

Lease liability

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	December 31, 2023	December 31, 2022
Undiscounted minimum lease payments:		
Less than one year	\$ -	\$ 47,979
Two to five years	-	-
	-	47,979
Effect of discounting	-	(2,978)
Present value of minimum lease payments	-	45,001
Less current portion	-	(45,001)
Long-term portion	\$ -	\$ -

Lease liability continuity

The net change in the lease liability is as follows:

	December 31, 2023	December 31, 2022
Lease liability - beginning of year	\$ 45,001	\$ 84,937
Cash flows:		
Principal payments	(45,001)	(39,936)
Lease liability - end of year	\$ -	\$ 45,001

During the year ended December 31, 2023, interest of \$2,978 (December 31, 2022 – \$8,043) is included in interest and recovery of office and general.

11. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers, vice-presidents and members of its Board of Directors.

The following compensation was awarded to key management personnel:

Years ending December 31,	2023	2022
Consulting fees and salaries	\$ 308,900	\$ 313,100
Share-based compensation	43,724	190,333
Key management personnel compensation	\$ 352,624	\$ 503,433

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS - continued

During the year ended December 31, 2023, the Company incurred consulting fees of \$1,131 (December 31, 2022 - \$1,248) and exploration costs of \$26,025 (December 31, 2022 - \$532,670) with Dahrouge Geological Consulting Ltd., a company controlled by Jody Dahrouge who was also a director of ALX.

Related party amounts are unsecured, non-interest bearing and due on demand. As at December 31, 2023, \$nil (December 31, 2022 - \$21,423) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

12. INCOME TAXES

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2023	2022
Income (loss) for the year before income taxes	\$ (1,039,026)	\$ (2,012,626)
Income tax expense (benefit) computed at statutory rates	(280,537)	(543,409)
Deductible and non-deductible amounts	323,428	241,671
Change in valuation allowance	(42,891)	301,738
Deferred income tax recovery	(232,746)	(133,700)
Deferred income tax recovery per financial statements	\$ (232,746)	\$ (133,700)

There are no deferred tax assets/(liabilities) presented in the statement of financial position.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets/(liabilities) have been recognized are attributable to the following:

	2023	2022
Deferred income tax assets/(liabilities)		
Non-capital and net capital losses carried forward	\$ 9,605,000	\$ 9,829,000
Share issuance costs	179,000	255,000
Equipment	53,000	53,000
Mineral properties	(4,047,000)	(2,598,000)
	\$ 5,790,000	\$ 7,539,000

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

12. INCOME TAXES - continued

The potential future tax benefit has been offset entirely by a valuation allowance and has not been recognized in these financial statements. The non-capital loss carry-forwards expire according to the following schedule:

	2023
2030	\$ 39,000
2031	233,000
2032	219,000
2033	631,000
2034	1,594,000
2035	1,655,000
2036	790,000
2037	744,000
2038	700,000
2039	927,000
2040	779,000
2041	743,000
2042	273,000
Balances as at December 31, 2023	\$ 9,327,000

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	December 31,	December 31,
	2023	2022
Exploration and evaluation costs in accounts payable	\$ 48,478	\$ 37,620
Exploration and evaluation fees in accounts receivable	\$ 3,112	\$ 92,961
Marketable securities received for exploration and evaluation assets	\$ 851,000	\$ 1,041,835
Shares issued for property option payment	\$ 12,000	\$ 15,750
Warrants granted for finder's fees	\$ 11,961	\$ 33,045

14. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

14. FINANCIAL RISK MANAGEMENT - continued

(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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(c) Foreign exchange risk

With the exception of certain investments, the Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars. The Company holds certain equity securities that are traded on the Australian Stock Exchange and quoted in Australian dollars. Fluctuations in the value of the Australian dollar can impact the fair value of Company's securities and or the value of the Australian dollars received should these securities be divested.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

There were no changes in the Company's approach to capital management during the year ended December 31, 2023 or the year ended December 31, 2022. The Company is not subject to any externally imposed capital requirements.

(f) Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

14. FINANCIAL RISK MANAGEMENT – continued

The following is an analysis of the Company's financial assets measured at fair value as at December 31, 2023 and December 31, 2022:

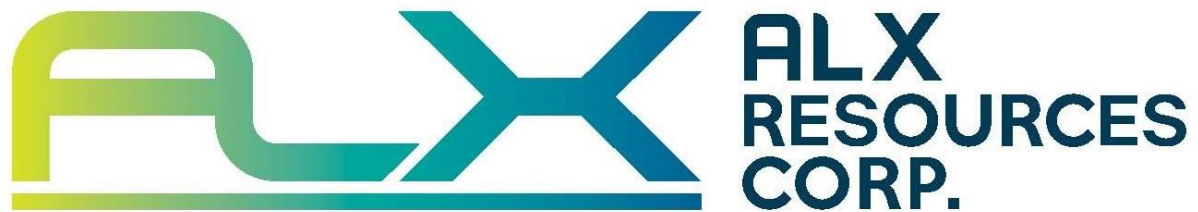
	As at December 31, 2023			
	Level 1	Level 2	Level 3	
Cash and cash equivalents	\$ 1,369,485	\$ -	\$ -	
Marketable securities	508,145	-	-	
	\$ 1,877,630	\$ -	\$ -	

	As at December 31, 2022			
	Level 1	Level 2	Level 3	
Cash and cash equivalents	\$ 2,033,247	\$ -	\$ -	
Marketable securities	360,870	-	-	
	\$ 2,394,117	\$ -	\$ -	

15. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year ended December 31, 2023, the Company:

- Closed the sale of certain claims known as other staked uranium properties and received 750,000 common shares (See Note 6(xx)).
- Entered into a binding letter agreement for its Gibbons Creek Project ("Gibbons"). ALX and Trinex Minerals Limited ("Trinex") will have 90 days from signing the binding letter agreement to execute a definitive agreement. Trinex can earn an initial 51% interest and up to a 75% participating interest in Gibbons in two stages over five years by making cash and common share payments to ALX of up to \$1.35 million and \$2.25 million respectively, and by incurring exploration expenditures totaling \$5.5 million.



Audited Financial Statements

Year Ended December 31, 2022

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of ALX Resources Corp.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ALX Resources Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2022 and 2021, and the statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of the Company as at December 31, 2022 and 2021, 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 audits in accordance with Canadian generally accepted auditing standards. 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 audits of the financial statements in Canada, and we have fulfilled our 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is the following key audit matter to communicate in our auditor's report:

Key audit matter:	How our audit addressed the key audit matter:
<p>Assessment of impairment indicators of Exploration and evaluation assets.</p> <p><i>Refer to note 2 – Significant accounting judgments, estimates and assumptions, note 3 – Accounting policy Exploration and evaluation expenditures and note 6 – Exploration and evaluation assets</i></p> <p>Management assesses at each reporting period whether there is an indication that the carrying value of exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the property; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <p>Evaluated the reasonableness of management's assessment of impairment indicators, which included the following:</p> <ul style="list-style-type: none"> • Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment. • Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit. • Confirmed that the Company's right to explore the property had not expired. • Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets.

We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.

- Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

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 audits of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is William Nichols.

The image shows a handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
April 12, 2023

ALX Resources Corp.
 Statements of Financial Position
 As at December 31,
 (Expressed in Canadian Dollars)

	2022	2021
Assets		
Current		
Cash and cash equivalents	\$ 2,033,247	\$ 4,052,887
Taxes receivable	26,622	25,923
Other receivables	137,813	41,685
Marketable securities (Note 4)	360,870	113,765
Prepaid expenses and deposits	236,174	211,199
Total Current Assets	2,794,726	4,445,459
Property and equipment (Note 5)	35,036	71,040
Exploration and evaluation assets (Note 6)	9,610,671	8,520,277
Total Assets	\$ 12,440,433	\$ 13,036,776
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 58,750	\$ 50,920
Current portion of lease liability (Note 10)	45,001	39,936
Liability for flow-through shares (Note 7)	157,392	91,092
Total Current Liabilities	261,143	181,948
Lease liability (Note 10)	-	45,001
Equity		
Share capital (Note 8)	22,999,822	22,038,146
Reserves (Note 9)	2,829,446	2,542,733
Deficit	(13,649,978)	(11,771,052)
Total Equity	12,179,290	12,809,827
Total Liabilities and Equity	\$ 12,440,433	\$ 13,036,776

Going concern of operations (Note 2)
 Commitments (Note 10)
 Event after the reporting period (Note 15)

Approval on behalf of the Board of Directors:

“Warren Stanver”
 Director

“Howard Haugom”
 Director

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

ALX Resources Corp.
Statements of Comprehensive Loss
For the years ended December 31,
(Expressed in Canadian Dollars)

	2022	2021
Expenses		
Accounting and audit fees	\$ 23,000	\$ 21,300
Advertising and promotion	238,173	139,431
Depreciation	36,004	41,114
Consulting fees and salaries (Note 11)	519,968	446,323
Insurance	27,851	23,611
Investor relations	43,623	22,159
Legal fees	17,369	20,744
Office and general	93,958	79,337
Property investigation	36,993	4,424
Share-based compensation (Notes 10 and 11)	253,668	198,932
Transfer agent and filing fees	33,530	40,371
Travel expenses	20,534	1,255
Operating Expenses	1,344,671	1,039,001
Other Expenses (Income)		
Foreign exchange loss	51,428	4
Gain on sale of exploration and evaluation assets (Note 6(xiv))	(62,805)	-
Interest and recovery of office and general	(79,631)	(49,184)
Impairment of exploration and evaluation assets	348,632	2,006,379
Operator fee income (Note 6(i))	(5,318)	(135,171)
Unrealized loss(gain) on marketable securities (Note 4)	300,133	(21,651)
Loss on sale of marketable securities (Note 4)	115,516	4,483
Loss before Income Taxes	2,012,626	2,843,861
Deferred income tax recovery (Note 5 and 12)	(133,700)	(128,309)
Net and Comprehensive Loss for the Year	\$ 1,878,926	\$ 2,715,552
Basic and Diluted Loss Per Share	\$ 0.01	\$ 0.02
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	211,630,462	172,128,428

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

ALX Resources Corp.
Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, January 1, 2021	151,940,778	\$ 17,431,051	\$ 2,226,834	\$ (9,055,500)	\$ 10,602,385
Issuance of shares for cash (Note 8)	52,968,178	4,743,529	(47,325)	-	4,696,204
Issuance of shares for exploration and evaluation assets (Note 6 and 8)	2,900,000	278,250	-	-	278,250
Share issuance costs	-	(414,684)	164,292	-	(250,392)
Share-based compensation (Note 9)	-	-	198,932	-	198,932
Net loss for the year	-	-	-	(2,715,552)	(2,715,552)
Balance, December 31, 2021	207,808,956	\$ 22,038,146	\$ 2,542,733	\$ (11,771,052)	\$ 12,809,827
Issuance of shares for cash (Note 8)	26,125,000	1,045,000	-	-	1,045,000
Issuance of shares for exploration and evaluation assets (Note 6 and 8)	450,000	15,750	-	-	15,750
Share issuance costs	-	(99,074)	33,045	-	(66,029)
Share-based compensation (Note 9)	-	-	253,668	-	253,668
Net loss for the year	-	-	-	(1,878,926)	(1,878,926)
Balance, December 31, 2022	234,383,956	\$ 22,999,822	\$ 2,829,446	\$ (13,649,978)	\$ 12,179,290

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

ALX Resources Corp.
Statements of Cash Flows
For the years ended December 31,
(Expressed in Canadian Dollars)

	2022	2021
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Net loss for the year	\$ (1,878,926)	\$ (2,715,552)
Items not involving cash:		
Deferred income tax recovery	(133,700)	(128,309)
Depreciation	36,004	41,114
Finance charges	8,043	12,538
Gain on sale of exploration and evaluation assets	(62,805)	-
Gain on sale of marketable securities	115,516	4,483
Impairment of exploration and evaluation assets	348,632	2,006,379
Share-based compensation	253,668	198,932
Unrealized loss(gain) on marketable securities	300,133	(21,651)
Changes in non-cash operating working capital:		
Accounts payable and accrued liabilities	(6,718)	12,191
Prepaid expenses	(24,975)	(126,134)
Taxes and other receivables	(3,866)	(18,655)
Net cash flows used in operating activities	(1,048,994)	(734,664)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Exploration and evaluation asset expenditures	(3,498,419)	(943,172)
Proceeds from sale of marketable securities	379,081	45,292
Proceeds from sale of exploration and evaluations assets	1,017,700	-
Net cash flows used in investing activities	(2,101,638)	(897,880)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:		
Interest and finance charges paid	(8,043)	(12,538)
Issuance of shares for cash	1,245,000	4,641,300
Repayment of lease liabilities	(39,936)	(35,440)
Share issuance costs	(66,029)	(250,392)
Stock options exercised for cash	-	5,000
Warrants exercised for cash	-	242,037
Net cash flows provided from financing activities	1,130,992	4,589,967
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,019,640)	2,957,423
Cash and cash equivalents, beginning of year	4,052,887	1,095,464
Cash and cash equivalents, end of year	\$ 2,033,247	\$ 4,052,887

Supplemental disclosure with respect to cash flows (Note 13)

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

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

ALX Resources Corp. (“ALX” or the “Company”) is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia. The shares of the Company are listed on the TSX Venture Exchange (“TSX-V”) under the symbol ‘AL’, on the Frankfurt Stock Exchange (“FSE”) under the symbol “6LNN” and in the United States OTC market under the symbol ‘ALXEF’. The Company is principally engaged in the acquisition, exploration, and development of mineral properties.

The head office, principal address and registered and records office of the Company are located at 408 – 1199 West Pender Street, Vancouver, BC, Canada, V6E 2R1.

2. BASIS OF PREPARATION

Statement of compliance and basis of measurement

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as fair value through profit or loss (“FVTPL”). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Going concern of operations

These financial statements were prepared on a going concern basis, under the historical cost convention. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

Approval of the financial statements

The financial statements of ALX Resources Corp. for the year ended December 31, 2022 were approved and authorized for issue by the board of directors on April 12, 2023.

Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, 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. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The ability of the Company to continue as a going concern for the next fiscal year;
- assessment as to whether any impairment exists in the valuation of its assets;
- impairment of marketable securities;
- recovery of taxes and other receivables;
- the useful life and recoverability of property and equipment;
- rehabilitation provisions;
- fair value of share-based payments; and
- deferred income tax asset valuation allowances.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently throughout the Company for purposes of these financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, term deposits and short-term highly liquid investments with the original term to maturity of twelve months or less, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of changes in value. At December 31, 2022 the Company had \$46,173 (2021 - \$1,046,173) in cash equivalents.

Short-term investments

Short-term investments are investments which are transitional or current in nature, with an original maturity greater than three months.

Exploration and evaluation expenditures

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Exploration and evaluation expenditures incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, exploration and evaluation expenditures incurred are capitalized. All capitalized exploration and evaluation expenditures are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statement of comprehensive loss to the extent that they are not expected to be recovered.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to “Mines under construction”. There is no amortization during the exploration and evaluation phase.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Flow-through shares

Under Canadian income tax legislation, a company is permitted to issue flow-through shares whereby the Company agrees to incur qualifying expenditures and renounce the related income tax deductions to the investors. The increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds or “premium” are recorded as a liability for flow-through shares on the statement of financial position. When expenditures are incurred, a deferred tax liability is recognized and the liability for flow-through shares in the statement of comprehensive loss is reversed. The net amount is recognized as deferred income tax recovery in the statement of comprehensive loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to Part XII.6 tax on flow-through proceeds renounced under the “Look-back” Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Financial instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes party to the contractual provisions of the instrument.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES - continued

i. Financial assets

- Cash and cash equivalents (see above) is classified as subsequently measured at fair value through profit and loss.
- Amounts receivable, exclusive of GST, are non-interest bearing and are recognized at the face amount, except when fair value is materially different, and are subsequently measured at amortized cost. Amounts receivable recorded are net of lifetime expected credit losses. The Company applies the simplified approach to determining expected credit losses, which requires expected credit losses to be recognized upon initial recognition of the receivables.
- Reclamation deposits are classified as subsequently measured at amortized cost.
- Investments in marketable equity securities are classified, at the Company's election, as subsequently measured at fair value through profit and loss. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the statement of financial position date (See Note 4).

ii. Financial liabilities

- Accounts payable are non-interest bearing if paid when due and are recognized at the face amount, except when fair value is materially different. Accounts payable are subsequently measured at amortized cost.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to ten years, which may include vesting provisions and are priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement, or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Income taxes (continued)

recognition of assets or liabilities that affect neither accounting nor taxable profit, nor differences relating to investments in subsidiaries, and associates to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to 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.

Share Capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the common shares are issued.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method for calculating diluted loss per share. Under this method the dilutive effect on loss per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

Impairment of non-current assets

Non-current assets are evaluated at least annually by management for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present the recoverable amount of an asset is evaluated at the level of a cash generating unit (CGU), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in income to the extent that the carrying amount exceeds the recoverable amount.

In calculating the recoverable amount, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement. The determination of discounted cash flows is dependent on a number of factors, including future metal prices, the amount of reserves, the cost of bringing the project into production, production schedules, production costs, sustaining capital expenditures, and site closure, restoration and environmental rehabilitation costs. Additionally, the reviews take into account factors such as political, social and legal and environmental regulations. These factors may change due to changing economic conditions or the accuracy of certain assumptions and, hence, affect the recoverable amount. The Company uses its best efforts to fully understand all of the aforementioned to make an informed decision based upon historical and current facts surrounding the projects. Discounted cash flow techniques often require management to make estimates and assumptions concerning reserves and expected future production revenues and expenses.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

As at December 31, 2022 and 2021, the Company has no restoration and environmental obligations.

Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either: (a) the Company has the right to operate the asset; or (b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Leases- continued

If the contract contains a lease, a right-of-use asset and a corresponding lease liability are set-up at the date at which the leased asset is available for use by the Company. The lease payments are discounted using either the interest rate implicit in the lease, if available, or the Company's incremental borrowing rate. Each lease payment is allocated between the liability and the finance cost so as to produce a constant rate of interest on the remaining lease liability balance. The Company accounts for the lease and non-lease components separately. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

4. MARKETABLE SECURITIES

The Company holds marketable securities in quoted public companies. The investments are measured at fair value using a level 1 input in the fair value hierarchy. The shares are publicly listed on the Toronto Stock Exchange or the TSX Venture Stock Exchange or the Australian Stock Exchange and published price quotes are widely available. The aggregate amount of the investments can be summarized as follows:

	December 31, 2022		December 31, 2021	
	Cost	Fair Market Value	Cost	Fair Market Value
First Mining Gold Corp.	\$ 100,000	\$ 88,977	\$ 100,000	\$ 87,399
Manitou Gold Inc.	19,695	4,545	19,695	18,180
Okapi Resources Limited	542,739	257,805	-	-
Pegasus Resources Inc.	12,000	5,000	7,500	5,000
Uravan Minerals Inc.	16,520	4,543	16,520	3,186
Total	\$ 690,954	\$ 360,870	\$ 143,715	\$ 113,765

5. EQUIPMENT

	Right-of-use asset (Note 10)	Office equipment	Total
	\$	\$	\$
Cost:			
Balance, December 31, 2021	175,184	23,356	198,540
Additions	-	-	-
Balance, December 31, 2022	175,184	23,356	198,540
Accumulated depreciation:			
Balance, December 31, 2021	105,111	22,389	127,500
Additions	35,037	967	36,004
Balance, December 31, 2022	140,148	23,356	163,504
Carrying amounts:			
Balance, December 31, 2021	70,073	967	71,040
Balance, December 31, 2022	35,036	-	35,036

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to its mineral properties, and, to the best of its knowledge, except as described below, they are properly registered and in good standing.

	Energy Metals and Gold Properties	Uranium Properties	Total
Balance, January 1, 2021	\$ 2,080,111	\$ 7,406,750	\$ 9,486,861
Additions during the year-			
Property acquisition costs			
Cash	113,658	7,500	121,158
Staking	22,573	61,418	83,991
Common shares	135,750	142,500	278,250
Property exploration costs			
Assays	36,199	16,772	52,971
Camp	171,359	520	171,879
Drilling	806,314	50,863	857,177
Field supplies and rentals	130,368	6,985	137,353
Geological and field personnel	477,274	63,296	540,570
Other	(14,955)	(36,500)	(51,455)
Surveying costs	458,929	108,640	567,569
Travel and accommodation	42,869	16,139	59,008
Total additions during the year	2,380,338	438,133	2,818,471
Proceeds received from earn-in of exploration and evaluation assets	(1,734,206)	(44,470)	(1,778,676)
Impairment	-	(2,006,379)	(2,006,379)
Balance, December 31, 2021	\$ 2,726,243	\$ 5,794,034	\$ 8,520,277
Additions during the year-			
Property acquisition costs			
Cash	76,038	-	76,038
Staking	93,811	-	93,811
Common shares	15,750	-	15,750
Property exploration costs			
Assays	85,462	7,325	92,787
Camp	191,719	217,703	409,422
Drilling	647,791	330,577	978,368
Field supplies and rentals	182,993	97,147	280,140
Geological and field personnel	439,644	229,374	669,018
Other	(43,914)	19,277	(24,637)
Surveying costs	530,629	353,343	883,972
Travel and accommodation	59,421	38,859	98,280
Total additions during the year	2,279,344	1,293,605	3,572,949
Proceeds received from sale or earn-in of exploration and evaluation assets	(244,874)	(1,889,049)	(2,133,923)
Impairment	(348,632)	-	(348,632)
Balance December 31, 2022	\$ 4,412,081	\$ 5,198,590	\$ 9,610,671

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties

	-----Energy Metals Properties-----						-----Gold Properties-----				
	Firebird Nickel Project	Electra Nickel Project	Flying Vee Nickel Project	Hydra Lithium Project	Anchor Lithium Project	Cannon Copper	Other Staked Energy Metals Properties	Alligator Gold Project	Vixen Gold Project	Other Gold Properties	Total
Note	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Balance, January 1, 2021	\$ 1,177,869	\$ 11,920	\$ 67,074	\$ -	\$ -	\$ 10,367	\$ 345,499	\$ 10,290	\$ 344,062	\$ 113,030	\$ 2,080,111
Additions during the year --											
Property acquisition costs											
Cash	-	22,000	-	-	-	-	9,158	40,000	42,500	-	113,658
Staking	-	3,841	16,641	-	-	1,091	-	1,000	-	-	22,573
Common shares	-	46,750	-	-	-	-	-	40,000	49,000	-	135,750
Property exploration costs											
Assays	49	6,310	478	-	-	-	-	22,225	299	6,838	36,199
Camp	141,070	-	-	-	-	-	-	29,660	629	-	171,359
Drilling	692,528	10,000	-	-	-	-	-	103,786	-	-	806,314
Field supplies and rentals	76,091	7,479	568	-	-	-	384	31,361	14,485	-	130,368
Geological and field personnel	251,937	92,859	2,776	-	-	4,944	14,175	84,654	20,752	5,177	477,274
Other	16,605	-	-	-	-	-	-	(35,421)	3,861	-	(14,955)
Surveying costs	158,050	97,539	85,000	-	-	77,470	-	40,245	625	-	458,929
Travel and accommodation	32,876	7,647	-	-	-	-	-	2,134	212	-	42,869
Total additions during the year	1,369,206	294,425	105,463	-	-	83,505	23,717	359,644	132,363	12,015	2,380,338
Proceeds from earn-in of exploration and evaluation assets	(1,351,706)	-	-	-	-	-	-	-	(350,000)	(32,500)	(1,734,206)
Balance, December 31, 2021	\$ 1,195,369	\$ 306,345	\$ 172,537	\$ -	\$ -	\$ 93,872	\$ 369,216	\$ 369,934	\$ 126,425	\$ 92,545	\$ 2,726,243
Additions during the year --											
Property acquisition costs											
Cash	-	20,000	-	-	-	-	26,038	30,000	-	-	76,038
Staking	394	100	1,988	68,221	19,870	2,250	-	-	-	988	93,811
Common shares	-	7,000	-	-	-	-	-	8,750	-	-	15,750
Property exploration costs											
Assays	-	70,773	-	2,056	-	-	-	12,633	-	-	85,462
Camp	-	60,361	9,715	635	-	-	-	121,008	-	-	191,719
Drilling	-	234,266	-	-	-	-	-	413,525	-	-	647,791
Field supplies and rentals	910	25,383	3,668	1,951	-	-	192	150,689	-	200	182,993
Geological and field personnel	55,600	78,551	53,143	34,514	7,870	6,598	1,951	174,581	10,744	16,092	439,644
Other	5,321	369	-	-	-	369	-	(50,000)	27	-	(43,914)
Surveying costs	-	60,105	299,936	-	-	-	-	93,373	-	77,215	530,629
Travel and accommodation	-	21,005	7,518	14,581	1,590	-	-	14,727	-	-	59,421
Total additions during the year	62,225	577,913	375,968	121,958	29,330	9,217	28,181	969,286	10,771	94,495	2,279,344
Impairment of exploration and evaluation assets	-	-	-	-	-	-	(348,632)	-	-	-	(348,632)
Proceeds from earn-in of exploration and evaluation assets	(78,179)	-	-	-	-	-	-	-	(137,195)	(29,500)	(244,874)
Balance, December 31, 2022	\$ 1,179,415	\$ 884,258	\$ 548,505	\$ 121,958	\$ 29,330	\$ 103,089	\$ 48,765	\$ 1,339,220	\$ 1	\$ 157,540	\$ 4,412,081

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

i) Firebird Nickel

The Firebird Nickel Project (“Firebird”) is located approximately 14 kilometres northwest of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking most of the claims in May of 2019. The project is prospective for nickel, copper, and cobalt. Included within the Firebird Nickel Project are the Axis Lake, Currie Lake, and Rea Lake claims. ALX acquired a 100% interest in these claims from three separate vendors by paying a total of \$52,000 and issuing 3,950,000 common shares valued at \$133,500. The vendors each retained a 2.0% net smelter returns royalty (“NSRs”) and the Company has the right to purchase up to half of the NSRs for a total of \$5.0 million.

On August 21, 2020 (the “Effective Date”) and as amended below, ALX entered into an option agreement with Rio Tinto Exploration Canada Inc. (“Rio Tinto”) on the Company’s Firebird Nickel Project. Rio Tinto may acquire up to an 80% interest in Firebird by incurring a total of \$12.0 million in exploration expenditures over seven years and by making cash payments to ALX totaling \$150,000, as outlined in the following summary:

- Rio Tinto may acquire a 51% interest in Firebird (the “First Option”) by funding \$3.0 million in exploration expenditures within four years of the agreement date;
- Carrying out an initial exploration program of not less than \$150,000, to be completed within six months of the Effective Date (completed);
- Making a \$50,000 cash payment to ALX within 45 days of the Effective Date (received); and
- On December 1, 2022, the First Option earn-in period was amended from three to four years for cash consideration of \$25,000 (received).

Upon Rio Tinto acquiring a 51% interest in Firebird, it may elect to form a joint venture on terms established by the parties in a separate joint venture agreement, or give notice to ALX that it wishes to pursue its right to acquire up to an 80% interest (the “Second Option”). To earn an additional 29% interest in Firebird Rio Tinto must:

- Fund an additional \$9.0 million in exploration over an additional three-year period for total expenditures by Rio Tinto of \$12.0 million over seven years; and
- Make a cash payment to ALX of \$75,000 for total cash consideration of \$150,000.

ALX has acted as operator of exploration (the “Operator”) of the Project, but Rio Tinto may, at its sole discretion, appoint itself to act as Operator at any time during the First or Second Option periods. Either party while acting as Operator may charge a 10% administrative fee on exploration expenditures. During the year ended December 31, 2022, the Company recorded \$5,318 (2021 - \$135,171) in operator fee income on the statement of comprehensive loss.

ii) Electra Nickel Project

On December 17, 2020, the Company executed an option agreement to acquire up to a 100% interest in the Electra Nickel Project located near Thunder Bay, Ontario. The TSX Venture Exchange approved the agreement on January 6, 2021 and this date is also deemed to be the “Anniversary Date” of the agreement. To earn its interest, the Company will pay a total of \$135,000 in cash, issue 1.1 million common shares, and incur \$500,000 in exploration expenditures according to the following schedule:

- A non-refundable \$3,000 cash payment paid by ALX as a pre-option payment for an exclusive 45-day period during which ALX conducted due diligence on the Project (completed);
- On the approval of TSX Venture Exchange: \$7,000 in cash (paid) and 300,000 common shares (issued and valued at \$25,500);
- On or before 1st Anniversary Date: \$15,000 in cash (paid) and 250,000 common shares (issued and valued at \$21,250), and \$100,000 in exploration expenditures (complete);
- On or before 2nd Anniversary Date: \$20,000 in cash (paid) and 200,000 common shares (issued and valued at \$7,000), and an additional \$100,000 in exploration expenditures (complete);

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

ii) Electra Nickel Project - continued

- On or before 3rd Anniversary Date: \$25,000 in cash and 150,000 common shares, and an additional \$100,000 in exploration expenditures;
- On or before 4th Anniversary Date: \$30,000 in cash and 100,000 common shares, and an additional \$100,000 in exploration expenditures;
- On or before 5th Anniversary Date: \$35,000 in cash and 100,000 common shares and an additional \$100,000 in exploration expenditures.

The property is subject to a 2.5% net smelter returns royalty (“NSR”). At any time, ALX shall have the right to purchase up to 1.5% of the NSR in three increments for \$500,000 per increment. The agreement was approved by the TSX Venture Exchange on January 6, 2021. In March 2021, the Company staked additional claims in the surrounding area.

iii) Flying Vee Nickel Project

Flying Vee is located approximately 25 kilometres north of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking in April 2019. In June 2021, the Company staked additional claims in the surrounding area. This project is prospective for nickel, copper, and cobalt.

iv) Hydra Lithium Project

The Hydra Lithium Project is located in the James Bay region of northern Quebec, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-cesium-tantalum (“LCT”) type pegmatites.

v) Anchor Lithium Project

The Anchor Lithium Project is located in the central and western Nova Scotia, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-bearing pegmatites.

vi) Cannon Copper (formerly the “Kamichisitit Claims”)

In June 2012, the Company acquired, by staking, claims located in Kamichisitit Township, situated approximately 40 kilometres north of Iron Bridge, Ontario. This project is prospective for copper. In June 2014, the Company staked additional claims in the surrounding area.

vii) Other Staked Energy Metals Properties

On June 11, 2018, the Company entered into an agreement to acquire a 100% interest in the Tango Property, located in Northern Saskatchewan from DG Resource Management Ltd., a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$40,000 and granted a net smelter royalty (“NSR”) of 2%.

Within five years of closing, the Company may purchase up to half of the NSR for \$2,000,000. The agreement was approved by the TSX Venture Exchange on August 21, 2018. During the year ended December 31, 2022, the Company recorded an impairment charge of \$214,165.

The Draco VMS Project is located in Grong district of Norway and ALX acquired a 100% interest by staking in May 2019. This project is prospective for copper-zinc-gold-silver. During the year ended December 31, 2022, the Company paired down these claims to the most prospective areas and recorded an impairment charge of \$134,467.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

viii) Alligator Gold Project

On February 18, 2021, ALX entered into an option agreement with Alligator Resources Ltd. (“Optionor”), whereby the Company may acquire up to an 80% interest in the Optionor’s Alligator Gold Project, located in Saskatchewan, by incurring a total of \$1.25 million in exploration expenditures over four years, issuing 1,500,000 common shares of the Company and by making cash payments to the Optionor totaling \$150,000, as outlined in the following summary:

- The Company has acquired a 51% interest in the Alligator property (the “First Option”) by funding \$500,000 (completed) in exploration expenditures by December 31, 2022:
 - Within 5 days of the Optionor’s acceptance of the letter agreement, the Company shall make a non-refundable \$3,000 cash payment (paid);
 - Within 5 days of the acceptance from the TSX Venture the Company shall make a \$12,000 cash payment (paid) and issue 250,000 common shares (issued and valued at \$20,000) to the Optionor;
 - On or before December 31, 2021, the Company shall make a cash payment of \$25,000 (paid) and issue an additional 250,000 common shares (issued and valued at \$20,000) of the Company; and
 - On or before December 31, 2022, the Company shall make a cash payment of \$30,000 (paid) and issue an additional 250,000 common shares (issued and valued at \$8,750) of the Company.
- Upon the Company acquiring a 51% interest in the Alligator property, it may elect to pursue its right to acquire up to an 80% interest in the project (the “Second Option”). To earn an additional 29% interest in the Alligator property the Company must:
 - On or before December 31, 2023, the Company shall make a cash payment of \$35,000 and issue an additional 250,000 common shares of the Company;
 - On or before December 31, 2024, the Company shall make a cash payment of \$45,000 and issue an additional 500,000 common shares of the Company; and
 - The Company shall incur additional expenditures of at least \$750,000 at the property.

Upon the Company earning an 80% interest in the property the Company and the Optionor shall form a joint venture with the terms to be negotiated under a separate joint venture agreement.

Two of the claims comprising the property are subject to an underlying 2.5% NSR on the sale of valuable minerals from the project. At any time, ALX shall have the right to purchase 1.25% of the NSR for US\$1,000,000.

ix) Vixen Gold Project

On September 24, 2019, the Company entered into an agreement to acquire a 100% interest in the Vixen Gold Project, located in Red Lake Mining District of Ontario from DG Resource Management Ltd. (“DG”), a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$30,605 to reimburse staking costs and agreed to an exclusive three-year geological service agreement with DG. DG retained a NSR of 2%. The Company may at any time acquire 1% of the NSR by paying \$1,500,000. The agreement was approved by the TSX Venture Exchange on October 22, 2019.

On March 24, 2021, ALX entered into a purchase agreement to acquire a 100% interest in eight claims contiguous to the Company’s Vixen Gold Project in exchange for \$2,500 (paid) and issuing 200,000 common shares (issued and valued at \$19,000) of the Company. The vendor has retained a net smelter royalty (“NSR”) of 1.5%. The Company may at any time purchase the NSR by paying \$1,500,000.

On May 7, 2021, ALX entered into a purchase agreement to acquire a 100% interest in fourteen claims and one patented claim contiguous to the Company’s Vixen Gold Project in exchange for \$40,000 (paid) and issuing 500,000 common shares (issued and valued at \$30,000) of the Company. The vendor retained an NSR of 2.5%. The Company may at any time acquire 1.25% of the NSR by paying \$1,250,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

ix) Vixen Gold Project

On September 7, 2021, ALX entered into an earn-in option agreement with First Mining Gold Corp. (“First Mining”) for all claims within ALX’s 100% owned Vixen Gold Project (“Vixen”). First Mining will have the option to earn an initial 70% interest in Vixen by paying cash and common shares totalling \$950,000. Upon completing the first stage of the earn-in, First Mining will hold, a 70% interest in Vixen and may acquire the remaining 30% interest in Vixen by paying cash and common shares totaling \$1 million. In summary, First Mining may acquire a 100% interest in Vixen by paying cash and common shares totalling \$1,950,000. The value and number of common shares to be issued by First Mining will be calculated using the prior day’s 20-day VWAP. Details of the agreement are as follows:

- For First Mining to acquire a 70% interest in Vixen (the “First Option”) it must:
 - On closing, pay \$250,000 in cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2022, pay \$100,000 cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2023, pay \$100,000 cash and issue \$100,000 of common shares to ALX;
 - On or before September 15, 2024, pay \$100,000 cash and issue \$100,000 of common shares to ALX; and
 - On or before September 15, 2024, fund and incur \$500,000 of Vixen exploration expenditures.
- Upon First Mining acquiring a 70% interest in Vixen, it may elect to acquire up to an 100% interest in Vixen within two years (the “Second Option”). To earn an additional 30% interest, First Mining must pay \$500,000 in cash and issue \$500,000 of common shares to ALX. In the event that First Mining elects not to complete the Second Option of the earn-in, ALX and First Mining will enter into a 70%-30% joint venture agreement with respect to Vixen.
- Under the agreement First Mining assumes the underlying NSR agreements. Further, the Company has been granted a 2% NSR on certain claims of which First Mining can repurchase 1% for \$1,000,000.

x) Other Gold Properties

In July and November 2020, the Company acquired by staking a 100% interest in several claim blocks prospective for gold located in Saskatchewan by staking the Sceptre Gold Project and the Hummingbird Gold Project.

On October 5, 2021, the Company granted an option to Pegasus Resources Inc. (“Pegasus”) to acquire an interest in four claims that form part of the Hummingbird Gold Project. Pegasus can earn a 70% interest by paying \$50,000, issuing 700,000 common shares, and incurring \$300,000 of exploration expenditures over three years. If Pegasus does not earn a 70% interest, the option will be terminated and ALX will retain a 100% interest. Pegasus can earn the remaining 30% interest by paying \$200,000 and issuing 500,000 common shares by the 5th anniversary of the agreement date, otherwise a joint venture would be formed. To date, the Company has received \$50,000 and 250,000 common shares valued at \$12,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

	Hook- Carter	Black Lake	Gibbons Creek	Newnham Lake	Kelic Lake	Lazy Edward	Carpenter Lake	South Pine/Perch	Cluff Lake	Other Uranium Properties	Total
Note	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	(xvii)	(xviii)	(xix)	(xx)	
Balance, January 1, 2021	\$ 14,411	\$ 1,623,507	\$ 1,608,800	\$ 1,275,091	\$ 1,705,174	\$ 335,797	\$ 299,943	\$ 437,755	\$ 1	\$ 106,271	\$ 7,406,750
Additions during the year --											
Property acquisition costs											
Cash	-	-	-	-	-	-	-	-	-	7,500	7,500
Staking	1,000	-	8,190	-	-	1,953	-	-	-	50,275	61,418
Common shares	-	-	-	37,500	-	75,000	-	-	-	30,000	142,500
Property exploration costs											
Assays	-	-	16,772	-	-	-	-	-	-	-	16,772
Camp	-	-	375	-	-	-	-	-	-	145	520
Drilling	-	-	50,863	-	-	-	-	-	-	-	50,863
Field supplies	-	-	3,813	1,536	-	-	-	-	-	1,636	6,985
Geological and field personnel	-	3,960	39,595	100	-	1,000	-	-	600	18,041	63,296
Other expenses	-	-	-	-	-	-	-	(40,000)	-	3,500	(36,500)
Surveying costs	-	-	-	-	-	-	-	-	-	108,640	108,640
Travel and accommodation	-	-	12,766	-	-	-	-	-	-	3,373	16,139
Total additions during the year	1,000	3,960	132,374	39,136	-	77,953	-	(40,000)	600	223,110	438,133
Proceeds received from earn-in of exploration and evaluation assets	-	-	-	(44,470)	-	-	-	-	-	-	(44,470)
Impairment	-	-	-	(668,217)	(893,316)	(180,707)	-	(208,378)	(36)	(55,725)	(2,006,379)
Balance, December 31, 2021	\$ 15,411	\$ 1,627,467	\$ 1,741,174	\$ 601,540	\$ 811,858	\$ 233,043	\$ 299,943	\$ 189,377	\$ 565	\$ 273,656	\$ 5,794,034
Additions during the year --											
Property exploration costs											
Assays	-	-	7,005	-	-	-	-	-	-	320	7,325
Camp	-	-	204,551	-	-	-	-	-	-	13,152	217,703
Drilling	-	-	330,577	-	-	-	-	-	-	-	330,577
Field supplies	-	-	93,403	512	-	-	-	-	568	2,664	97,147
Geological and field personnel	-	405	188,794	1,212	-	-	3,142	-	300	35,521	229,374
Other expenses	-	-	19,277	-	-	-	-	-	-	-	19,277
Surveying costs	-	-	53,100	-	-	-	-	-	-	300,243	353,343
Travel and accommodation	-	-	32,856	-	-	-	-	-	-	6,003	38,859
Total additions during the year	-	405	929,563	1,724	-	-	3,142	-	868	357,903	1,293,605
Proceeds received from earn-in of exploration and evaluation assets	-	-	-	(603,264)	(811,858)	(233,043)	-	(189,377)	(865)	(50,642)	(1,889,049)
Balance, December 31, 2022	\$ 15,411	\$ 1,627,872	\$ 2,670,737	-	-	-	\$ 303,085	-	\$ 568	\$ 580,917	\$ 5,198,590

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

xi) Hook-Carter Property

Prior to the definitive agreement described below, the Hook-Carter Property was 100% owned by the Company, subject to various royalties. The property was acquired mostly by staking with certain claims being acquired in 2015 by paying \$40,000 and issuing 266,667 common shares valued at \$28,000. It is located in the Patterson Lake Corridor on the southwest side of the Athabasca Basin in Saskatchewan.

On November 4, 2016, the Company completed the sale of an 80% interest in the Hook-Carter Property to Denison Mines Corp. ("Denison"). Under the terms of the agreement, the Company received 7.5 million common shares of Denison with a value of \$3.825 million in exchange for an immediate 80% interest in the property. ALX retained a 20% interest in the property and Denison has agreed to fund ALX's share of the first \$12.0 million in expenditures.

On November 4, 2019, under the terms of the definitive agreement, Denison and ALX agreed to the formation of a deemed joint venture, and that the parties will make best efforts to execute a joint venture agreement prior to Denison's funding of the first \$12 million in expenditures.

In November 2016, Denison also purchased the Coppin Lake property from Orano Canada Inc. and UEX Corporation for cash payments of \$35,000 and a 1.5% net smelter royalty. Under the terms of the Hook-Carter Property agreement, Denison and ALX have elected to have these claims form part of the Hook-Carter Property and ALX's interest in these claims will be the same as its interest in the Hook-Carter Property.

xii) Black Lake Project

On September 5, 2017, the Company entered into option agreement with UEX Corporation ("UEX") to earn up to a 75% interest in the Black Lake Project. ALX has earned a 40% participating interest in the project by issuing 5,000,000 common shares valued at \$400,000, and incurring certain exploration expenditures. ALX's option to acquire up to 75% interest in the project has expired, but the Company retains its 40% interest in the project.

xiii) Gibbons Creek Property

In 2013, the Company acquired, by staking, claims known as the Gibbon's Creek Property. Additionally, on November 27, 2013, the Company announced that it signed a joint venture agreement (the "JV Agreement") with Star Minerals Group Ltd. ("Star Minerals") granting the Company an option to acquire a 100% interest in additional claims located in the Athabasca Basin, near the Gibbons Creek Property. Under the terms of the JV agreement, the Company earned a 100% interest in the additional claims by paying \$60,000 (paid) and issuing 200,000 common shares (issued). Star Minerals will retain the option of a 25% buyback for four times the exploration monies spent by the Company to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90-day period following the completion and publication of a NI 43-101 compliant resource estimate.

xiv) Newnham Lake Property

On July 21, 2014, the Company announced that it entered into a purchase agreement to acquire a 100% interest in the Newnham Lake Property. To earn its interest the Company paid \$100,000 and issued 833,333 common shares valued at \$275,000.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Uranium Properties – continued

xiv) Newnham Lake Property - continued

On August 21, 2014, the Company entered into an option agreement to acquire adjacent claims from Anstag Mining Inc., by paying \$50,000 and issuing 333,333 common shares valued at \$65,000. In addition, the Company committed to incurring \$1,500,000 in exploration expenditures before August 28, 2019. The transaction was approved by the TSX-V on August 28, 2014. On August 19, 2019, the Company amended the agreement to complete the exploration expenditures by August 28, 2022. As consideration for the extension, the Company issued 300,000 common shares valued at \$12,000. Again, on October 18, 2021, the Company amended the agreement to complete the exploration expenditures by August 28, 2025. As consideration for the extension, the Company issued 300,000 common shares valued at \$37,500. The property is subject to a 1% gross overriding royalty (“GORR”), to which the Company may purchase 0.5% of the GORR for \$1,000,000 at any time.

During the year ended December 31, 2021, the Company recorded an impairment charge of \$668,217.

On January 28, 2022, ALX completed a sale agreement with Okapi Resources Limited (“Okapi”) where Okapi has acquired the Company’s interests in the following six uranium exploration properties: Newnham Lake, Kelic Lake, Argo, Lazy Edward Bay, Cluff Lake and Perch. Okapi paid total consideration of \$1,933,519 (\$2.1 million Australian dollars (“AUD”)) consisting of cash payments of \$996,184 (AUD\$1,050,000), including a \$44,470 (AUD\$50,000) non-refundable deposit (received in 2021), and 3,227,790 common shares of Okapi valued at \$937,335 (AUD\$1,050,000). The common shares received from Okapi are subject to an escrow agreement with a release schedule as follows: 33% after six months, 33% after nine months, and 34% after twelve months from the closing date.

Under the agreement Okapi assumes the underlying NSR royalties. Further, the Company has been granted a 1.5% NSR on certain mineral claims that did not previously bear any existing royalties. Okapi may at any time acquire up to 50% of ALX’s NSR by paying ALX \$1,000,000.

xv) Kelic Lake Property

On August 29, 2014, the Company entered into an option agreement with Jody Dahrouge and 877384 Alberta Ltd. to acquire a 100% interest in the Kelic Lake property located in southern margin of the Athabasca Basin. To earn its interest, the Company paid \$80,000, issued 500,000 common shares valued at \$133,750, and incurred exploration expenditures of at least \$750,000. The optionors retained a 2.5% royalty on production from the property, which can be reduced to a 1.5% royalty by paying of \$1,500,000 at any time prior to commencement of commercial production.

During the year ended December 31, 2021, the Company recorded an impairment charge of \$893,316.

This property was sold on January 28, 2022 (See Note 6 (xiv)).

xvi) Lazy Edward Bay Property

In 2013, the Company acquired, by staking, claims known as the Lazy Edward Bay Property.

On October 15, 2021, the Company entered into a purchase agreement to acquire a 100% interest in additional claims adjacent to it Lazy Edward Bay Property. To complete the purchase, the ALX issued 600,000 common shares valued at \$75,000. The vendor will retain 2% net smelter returns royalty (“NSR”). ALX has the option to purchase half of the NSR for \$1.0 million.

During the year ended December 31, 2021, the Company recorded an impairment charge of \$180,707.

This property was sold on January 28, 2022 (See Note 6 (xiv)).

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Uranium Properties – continued

xvii) Carpenter Lake Property

On January 13, 2014, the Company entered into an option agreement with Pacton Gold Inc. (“Pacton”) to acquire a 60% interest in the Carpenter Lake property located in Northern Saskatchewan. The Company has earned its interest by paying \$60,000, issuing 200,000 common shares valued at \$93,000, and incurring at least \$1,250,000 exploration expenditure.

As of November 10, 2014, a joint venture was formed between the Company (60%) and Pacton (40%) for the further development of the property, with the Company serving as the operator. The property is subject to a royalty equal to 5% of gross revenues, which is owned by the original vendors (“Underlying Royalty”). The Underlying Royalty rate can be reduced from 5% to 2% by Pacton through the issuance of shares. On October 28, 2014, the Company was notified that Pacton exercised its right to reduce the Underlying Royalty rate from 5% to 2% by issuing 3,000,000 shares to the original property vendors.

xviii) South Pine/Perch Properties

On June 4, 2013, the Company signed an agreement with Basin Minerals Ltd. (“Basin”) whereby the Company has the right to earn a 100% interest in the South Pine and Perch Lake Properties and has earned its interest by paying \$70,000 and issuing 500,000 common shares valued at \$103,167. Basin will retain a 2% Net Smelter Royalty (“NSR”) on the Properties, 1% of which can be purchased by the Company for \$1,000,000. Basin is entitled to annual advanced royalty payments of \$10,000. The transaction was accepted by the TSX-V on June 11, 2013.

During the year ended December 31, 2021, the Company recorded an impairment charge of \$208,378.

This property was sold on January 28, 2022 (See Note 6 (xiv)).

xix) Cluff Lake Project

Middle Lake Property (formerly Cluff Lake (ACME) Property)

The Middle Lake project is owned 80% by the Company and 20% by Acme Resources (“Acme”). The Middle Lake project is located adjacent to the east of the former Cluff Lake Mine area in the western portion of the Athabasca Basin in Northern Saskatchewan. The Company shall produce a bankable feasibility study, with Acme having a carried interest until the feasibility study is delivered, at which time Acme will have the choice to take on a 20% participating interest in a new company to operate the production facility or take on a 2% gross over-riding royalty for all uranium mineral products and a 2% net smelter returns royalty for all other metals. The Company will return all of its interest in the claim to Acme upon a decision by the Company to terminate work thereon.

Middle Lake Property (formerly Cluff Lake (ACME) Property) - continued

During the year ended December 31, 2021, the Company recorded an impairment charge of \$36.

This property was sold on January 28, 2022 (See Note 6 (xiv)).

Bridle Lake Property (formerly Cluff Lake (Rio Tinto) Project)

This property is owned 50% by the Company and 50% by Rio Tinto Ltd. The Bridle Lake Property is located adjacent to the north of the former Cluff Lake Mine area in the western portion of the Athabasca Basin in Northern Saskatchewan.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS – continued

Uranium Properties – continued

xx) Other Uranium Properties

Staked Properties

On November 15, 2017 the Company announced that it had staked various new claims in the Athabasca Basin area of Saskatchewan, Canada including a property known as “Argo”.

During the year ended December 31, 2021, the Company recorded an impairment charge of \$55,725 on its Argo property.

The Argo property was sold on January 28, 2022 (See Note 6 (xiv)).

During the year ended December 31, 2021, the company acquired by staking a 100% interest in various claims in the Athabasca Basin area of Saskatchewan, Canada. These staked claims are known as Edge, Javelin, McKenzie Lake, Sabre, and Sphere.

On September 21, 2021, the Company entered into a purchase agreement to acquire a 100% interest in additional claims adjacent to its recently staked McKenzie Lake claims in the Eastern Athabasca Basin area of Saskatchewan, Canada. The vendor will retain a 2% Net Smelter Royalty (“NSR”) on the Properties, 1% of which can be purchased by the Company for \$1,000,000. To complete the purchase, the Company paid \$7,500 and issued 250,000 common shares (valued at \$30,000). The transaction was approved by the TSX-V on October 4, 2021.

7. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During November 2022, the Company issued a total of 20,000,000 units on a flow-through basis at \$0.05 per unit for gross proceeds \$1,000,000 and recognized a liability for flow-through shares of \$200,000. The Company has spent \$213,038 of the flow-through funds and has reversed \$42,608 of the flow through liability.

During October 2021, the Company issued a total of 13,333,333 units on a flow-through basis at \$0.105 per unit for gross proceeds \$1,400,000 and recognized a liability for flow-through shares of \$133,333. The Company has spent \$1,400,000 (December 31, 2021 - \$443,536) of the flow-through funds and has reversed \$133,333 (December 31, 2021 - \$42,241) of the flow through liability.

During June 2021, the Company issued a total of 2,940,000 units on a flow-through basis at \$0.10 per unit for gross proceeds of \$294,000 and recognized a liability for flow-through shares of \$58,800. The Company has spent \$294,000 (December 31, 2021 - \$294,000) of the flow-through funds and has reversed \$58,800 (December 31, 2021 - \$58,800) of the flow-through liability.

At December 31, 2022, the amount of flow-through proceeds remaining to be expended is \$786,962 (December 31, 2021 - \$956,464) and the balance of the liability for flow-through shares is \$157,392 (December 31, 2021 - \$91,092).

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

8. SHARE CAPITAL

- a) Authorized: Unlimited number of common shares without nominal or par value.
- b) Issued: The total issued and outstanding shares of the Company at December 31, 2022 is 234,383,956 (December 31, 2021 – 207,808,956).

During the year ended December 31, 2022:

- i) During November 2022, the Company closed a non-brokered private placement consisting of 20,000,000 flow-through units (“FT Units”) at \$0.05 each and 6,125,000 non-flow-through units (“NFT Units”) at \$0.04 each for gross proceeds of \$1,245,000 (with \$200,000 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through share and one-half of one non-flow-through common share purchase warrant in the capital of the Company. Each NFT Unit consists of one common share and one-half of one non-flow-through common share purchase warrant in the capital of the Company. Each whole warrant exercisable into one common share of the Company for a period of three years from closing at an exercise price of \$0.075 per common share.

In conjunction with the private placement, the Company paid finders fees of \$56,850 and issued 1,137,000 finder fee warrants valued at \$33,045. Each warrant is exercisable into one common share of the Company at \$0.05 for a period of three years from closing.

- ii) On December 20, 2022, issued 200,000 common shares for the Electra Nickel Project exploration and evaluation assets.
- iii) On December 20, 2022, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.

During the year ended December 31, 2021:

- i) Issued 3,158,860 common shares for the exercise of warrants and 50,000 common shares for the exercise of options during the year.
- ii) On January 11, 2021, issued 300,000 common shares for the Electra Nickel Project exploration and evaluation assets.
- iii) On March 1, 2021, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.
- iv) On April 4, 2021, issued 200,000 common shares for the purchase of additional claims contiguous to the Company’s Vixen Gold Project exploration and evaluation assets.
- v) During June 2021, the Company closed a non-brokered private placement consisting of 2,940,000 FT Units at \$0.10 each and 15,591,250 NFT Units at \$0.08 each for gross proceeds of \$1,541,300 (with \$58,800 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through share and one non-flow-through common share purchase warrant in the capital of the Company. Each NFT Unit consists of one common share and one common share purchase warrant in the capital of the Company. Each warrant from the FT Units is exercisable into one common share of the Company for a period of two years from closing at an exercise price of \$0.15 per common share. Each warrant from the NFT Units is exercisable into one common share of the Company for a period of two years from closing at an exercise price of \$0.12 per common share.

In conjunction with the private placement, the Company paid finders fees of \$51,457 and issued 619,150 finder fee warrants valued at \$34,656. Each warrant is exercisable into one common share of the Company for a period of two years from closing. The warrants were issued in two batches with 522,900 warrants exercisable at \$0.08 per common share and 96,250 warrants exercisable \$0.10 per common share.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

8. SHARE CAPITAL – continued

During the year ended December 31, 2021: - continued

vi) On August 12, 2021, issued 500,000 common shares for the purchase of additional claims contiguous to the Company's Vixen Gold Project exploration and evaluation assets.

vii) During October 2021, the Company closed a non-brokered private placement consisting of 13,333,333 FT Units at \$0.105 each and 17,894,735 NFT Units at \$0.095 each for gross proceeds of \$3,100,000 (with \$133,333 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through share and one half of one non-flow-through common share purchase warrant in the capital of the Company. Each NFT Unit consists of one common share and one common share purchase warrant in the capital of the Company. One common share purchase warrant from the NFT Units or one whole common share purchase warrant from the FT units entitles the holder to purchase one non-flow through common share of the Company at a price of \$0.14 for up to two years from closing.

In conjunction with the private placement, the Company paid finders fees of \$171,630 and issued 1,717,584 finder fee warrants valued at \$129,636. Each warrant is exercisable into one common share of the Company at \$0.095 for a period of two years from closing.

viii) On October 12, 2021, issued 250,000 common shares for the purchase of additional claims contiguous to the Company's McKenzie Lake Uranium Project exploration and evaluation assets.

ix) On October 25, 2021, issued 600,000 common shares for the purchase of additional claims contiguous to the Company's Lazy Edward Bay Project exploration and evaluation assets.

x) On October 25, 2021, issued 300,000 common shares for an extension of time to complete the earn-in of the Newnham Lake Project.

xi) On December 16, 2021, issued 250,000 common shares for the Electra Nickel Project exploration and evaluation assets.

xii) On December 20, 2021, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.

c) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	December 31, 2022		December 31, 2021	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	87,146,593	0.12	76,048,269	0.11
Expired	(11,788,133)	0.13	(31,172,200)	0.11
Exercised	-	-	(3,158,860)	0.10
Issued	14,199,500	0.07	45,429,384	0.13
Balance, end of year	89,557,960	0.11	87,146,593	0.12

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

8. SHARE CAPITAL – continued

c) Warrants - continued

The following warrants were outstanding as at December 31, 2022:

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
June 21, 2023	\$ 0.080	487,620	0.47
June 21, 2023	\$ 0.100	78,750	0.47
June 21, 2023	\$ 0.120	14,801,250	0.47
June 21, 2023	\$ 0.150	2,690,000	0.47
June 25, 2023	\$ 0.100	17,500	0.48
June 25, 2023	\$ 0.120	790,000	0.48
June 25, 2023	\$ 0.150	250,000	0.48
October 2, 2023*	\$ 0.100	14,436,400	0.75
October 8, 2023	\$ 0.095	1,717,584	0.77
October 8, 2023	\$ 0.140	24,561,400	0.77
October 20, 2023*	\$ 0.100	4,783,333	0.80
December 17, 2024**	\$ 0.080	10,064,623	1.96
December 30, 2024**	\$ 0.080	680,000	2.00
November 3, 2025	\$ 0.075	8,900,000	2.84
November 3, 2025	\$ 0.050	1,005,000	2.84
November 17, 2025	\$ 0.075	3,062,500	2.88
November 21, 2025	\$ 0.075	1,100,000	2.89
November 21, 2025	\$ 0.050	132,000	2.89
Total		89,557,960	

Weight average remaining life of warrants outstanding 1.18

* The original expiry dates of these warrants were extended by 12 months

** The original expiry dates of these warrants were extended by 24 months

The Company applies the fair value method in accounting for its finder fee warrants using the Black-Scholes pricing model. During the year ended December 31, 2022, the Company issued a total of 1,137,000 (December 31, 2021 – 2,336,734) finder fee warrants. The finder fee warrants granted resulted in share issue costs of \$33,045 (December 31, 2021 - \$164,292). The following parameters were used to value finder fee warrants:

	December 31, 2022	December 31, 2021
Expected Life	3 years	2 years
Risk-free interest rate	4.01%	0.44 - 0.68%
Annualized volatility	130.14%	133.25 - 134.76%
Dividend rate	n/a	n/a
Fair value of shares at grant date	\$0.03	\$0.049 - \$0.076

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

9. SHARE-BASED PAYMENTS

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the board of directors but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option is limited to a maximum term of ten years.

The following stock option grants were issued during the year ended December 31, 2022 and the year ended December 31, 2021:

- On January 4, 2022 the Company granted 3,350,000 stock options (2,500,000 were issued to Directors and Officers) with an exercise price of \$0.09 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.
- On February 26, 2021 the Company granted 3,450,000 stock options (2,900,000 were issued to Directors and Officers) with an exercise price of \$0.075 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.

The following is a summary of option transactions under the Company's stock option plan for the year ended December 31, 2022 and the year ended December 31, 2021:

	December 31, 2022		December 31, 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	13,650,000	\$ 0.08	10,900,000	\$ 0.09
Expired/Cancelled	(2,700,000)	0.11	(650,000)	0.10
Exercised	-	-	(50,000)	0.10
Granted	3,350,000	0.09	3,450,000	0.075
Balance, end of period/year	14,300,000	\$ 0.08	13,650,000	\$ 0.08

The following stock options were outstanding and exercisable as at December 31, 2022:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Remaining Contractual Life (Years)
June 6, 2024	\$ 0.070	3,400,000	3,400,000	1.43
January 16, 2025	\$ 0.070	2,900,000	2,900,000	2.05
September 25, 2025	\$ 0.100	1,050,000	1,050,000	2.74
February 26, 2026	\$ 0.075	3,450,000	3,450,000	3.16
March 15, 2026	\$ 0.100	150,000	150,000	3.21
January 7, 2027	\$ 0.090	3,350,000	2,233,333	4.01
Total		14,300,000	13,183,333	
Weighted average remaining life of stock options outstanding and exercisable				2.58

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

9. SHARE-BASED PAYMENTS - continued

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the year ended December 31, 2022, the Company issued a total of 3,350,000 (December 31, 2021 – 3,450,000) incentive stock options to directors, officers, employees, and consultants of the Company. During the year ended December 31, 2022, the options issued and vested resulted in share-based payments of \$253,668 (December 31, 2021 – \$198,332).

	December 31, 2022	December 31, 2021
Expected Life	5 years	5 years
Risk-free interest rate	1.33%	0.88%
Annualized volatility	115.04%	114.46%
Dividend rate	N/A	N/A
Fair value of shares at grant date	0.07	0.06

10. COMMITMENT/LEASE LIABILITY

The Company has entered into the following agreements:

i) Office Lease

On January 1, 2019 the Company entered into a new five-year office lease. The Company is required to pay annual operating costs plus annual base rent of \$44,425 per year in the first two years and \$47,979 per year in the final three years of the lease. The Company rents out a portion of its office for one-half of the Company's monthly lease obligation. The sub-tenant is also responsible for one-half of the annual operating costs payable under the office lease. Sub-leases are included in other income on the statement of comprehensive loss.

The underlying lease payments have been discounted, at the inception of the lease, using the Company's incremental borrowing rate of 12%. On January 1, 2019, the present value of future lease payments and initial recognition of the right-of-use asset totaled \$175,184 (see Note 5).

Lease liability

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	December 31, 2022	December 31, 2021
Undiscounted minimum lease payments:		
Less than one year	\$ 47,979	\$ 47,979
Two to five years	-	47,979
	47,979	95,958
Effect of discounting	(2,978)	(11,021)
Present value of minimum lease payments	45,001	84,937
Less current portion	(45,001)	(39,936)
Long-term portion	\$ -	\$ 45,001

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

10. COMMITMENT/LEASE LIABILITY – continued

Lease liability continuity

The net change in the lease liability is as follows:

	December 31, 2022	December 31, 2021
Lease liability - beginning of year	\$ 84,937	\$ 120,377
Cash flows:		
Principal payments	(39,936)	(35,440)
Lease liability - end of year	\$ 45,001	\$ 84,937

During the year ended December 31, 2022, interest of \$8,043 (December 31, 2021 – \$12,538) is included in interest expense.

11. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers, vice-presidents and members of its Board of Directors.

The following compensation was awarded to key management personnel:

	2022	2021
Salaries and consulting fees	\$ 313,100	\$ 371,537
Share-based compensation	190,333	167,044
Key management personnel compensation	\$ 503,433	\$ 538,581

During the year ended December 31, 2022, the Company incurred consulting fees of \$1,248 (December 31, 2021 - \$2,659) and exploration costs of \$532,670 (December 31, 2021 - \$612,369) with Dahrouge Geological Consulting Ltd., a company controlled by Jody Dahrouge who is also a director of ALX.

Related party amounts are unsecured, non-interest bearing and due on demand. As at December 31, 2022, \$21,423 (December 31, 2021 - \$20,118) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

12. INCOME TAXES

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2022	2021
Income (loss) for the year before income taxes	\$ 1,878,926	\$ (2,843,861)
Income tax expense (benefit) computed at statutory rates	(543,409)	(767,842)
Deductible and non-deductible amounts	241,671	524,216
Change in valuation allowance	301,738	243,626
Deferred income tax recovery	(133,700)	(128,309)
Deferred income tax recovery per financial statements	\$ (133,700)	\$ (128,309)

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

12. INCOME TAXES - continued

There are no deferred tax assets/(liabilities) presented in the statement of financial position.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets/(liabilities) have been recognized are attributable to the following:

	2022	2021
Deferred income tax assets/(liabilities)		
Non-capital and net capital losses carried forward	\$ 9,829,000	\$ 9,564,000
Share issuance costs	255,000	288,000
Equipment	53,000	52,000
Mineral properties	(2,598,000)	(2,125,000)
	\$ 7,539,000	\$ 7,779,000

The potential future tax benefit has been offset entirely by a valuation allowance and has not been recognized in these financial statements. The non-capital loss carry-forwards expire according to the following schedule:

	2022
2027	\$ 16,000
2028	74,000
2029	40,000
2030	229,000
2031	233,000
2032	219,000
2033	631,000
2034	1,594,000
2035	1,655,000
2036	790,000
2037	744,000
2038	700,000
2039	927,000
2040	779,000
2041	743,000
2042	210,000
Balances as at December 31, 2022	\$ 9,584,000

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	December 31,		December 31,
	2022		2021
Exploration and evaluation costs in accounts payable	\$ 37,620	\$	23,072
Exploration and evaluation fees in accounts receivable	\$ 92,961	\$	-
Marketable securities received for exploration and evaluation assets	\$ 1,041,835	\$	103,639
Shares issued for property option payment	\$ 15,750	\$	278,250
Warrants granted for finder's fees	\$ 33,045	\$	164,292

14. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

(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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(c) Foreign exchange risk

With the exception of certain investments, the Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars. The Company holds certain equity securities that are traded on the Australian Stock Exchange and quoted in Australian dollars. Fluctuations in the value of the Australian dollar can impact the fair value of Company's securities and or the value of the Australian dollars received should these securities be divested.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

ALX Resources Corp.

Notes to the Financial Statements

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

14. FINANCIAL RISK MANAGEMENT - continued

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

There were no changes in the Company's approach to capital management during the year ended December 31, 2022 or the year ended December 31, 2021. The Company is not subject to any externally imposed capital requirements.

(f) Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at December 31, 2022 and December 31, 2021:

	As at December 31, 2022		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 2,033,247	\$ -	\$ -
Marketable securities	\$ 360,870	\$ -	\$ -
	\$ 2,394,117	\$ -	\$ -

	As at December 31, 2021		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 4,052,887	\$ -	\$ -
Marketable securities	\$ 113,765	\$ -	\$ -
	\$ 4,166,652	\$ -	\$ -

15. EVENT AFTER THE REPORTING PERIOD

Subsequent to the year ended December 31, 2022, the Company acquired the Reindeer Lithium Project in northern Saskatchewan. In consideration for the acquisition, ALX has agreed to pay \$12,500 to the vendor for a 100% interest, subject to a 2.0% NSR. ALX is entitled to purchase one-half of the NSR (1.0%) from the vendor at any time within five years from closing of the transaction for \$2,000,000.



Condensed Interim Financial Statements

Nine Months Ended September 30, 2024

(Expressed in Canadian Dollars)

**Notice of No Auditor Review of
Condensed Interim Financial Statements**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements, they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor.

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

ALX Resources Corp.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	September 30, 2024	December 31, 2023
Assets		
Current		
Cash and cash equivalents	\$ 489,102	\$ 1,369,485
Receivables	25,647	32,922
Marketable securities (Note 3)	502,333	508,145
Prepaid expenses and deposits	161,687	62,983
Total Current Assets	1,178,769	1,973,535
Marketable securities (Note 3)	127,500	-
Property and equipment (Note 4)	93,430	-
Exploration and evaluation assets (Note 5)	9,899,043	10,023,601
Total Assets	\$ 11,298,742	\$ 11,997,136
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 10)	\$ 92,965	\$ 133,441
Current portion of lease liability (Note 9)	38,186	-
Liability for flow-through shares (Note 6)	20,557	30,791
Total Current Liabilities	151,708	164,232
Lease liability (Note 9)	61,568	-
Equity		
Share capital (Note 7)	23,357,006	23,357,006
Reserves (Note 8)	2,960,480	2,932,156
Deficit	(15,232,020)	(14,456,258)
Total Equity	11,085,466	11,832,904
Total Liabilities and Equity	\$ 11,298,742	\$ 11,997,136
Going concern of operations (Note 2)		
Commitment (Note 9)		
Event after the reporting period (Note 13)		

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

ALX Resources Corp.

Condensed Interim Statements of Comprehensive Loss

For the Three and Nine Months ended September 30, 2024 and 2023

(Expressed in Canadian Dollars)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2024	2023	2024	2023
Expenses				
Accounting and audit fees	\$ 1,600	\$ -	\$ 31,761	\$ 26,300
Advertising and promotion	8,674	44,937	57,202	149,571
Consulting fees and salaries (Note 10)	134,731	129,240	396,636	398,434
Depreciation	10,382	8,759	31,144	26,277
Insurance	6,486	7,937	22,360	22,730
Investor relations	1,080	4,601	18,045	10,851
Legal fees	761	4,382	21,952	23,799
Office and general	35,542	21,860	91,708	66,801
Property investigation	1,461	-	24,259	-
Share-based payments (Note 8)	-	54,402	28,324	57,658
Transfer agent and filing fees	2,826	6,897	18,250	21,759
Travel Expenses	1,554	1,159	14,171	14,807
Operating Expenses	205,097	284,174	755,812	818,987
Other Income (Expense)				
Gain on sale of exploration and evaluation assets (Note 5)	206,958	797,573	241,958	797,573
Impairment of exploration and evaluation assets (Note 5)	(121,596)	(595,860)	(121,596)	(595,860)
Interest and recovery of office and general	17,649	27,703	61,250	80,324
(Loss) on sale of marketable securities (Note 3)	-	-	(372,342)	(65,570)
Unrealized (loss)gain on marketable securities (Note 3)	(79,880)	(371,890)	160,546	(343,323)
Loss before Income Taxes	(181,966)	(426,648)	(785,996)	(945,843)
Deferred income tax recovery (Note 6)	10,234	57,649	10,234	157,392
Net Loss and Comprehensive Loss for the Period	\$ (171,732)	\$ (368,999)	\$ (775,762)	\$ (788,451)
Basic and Diluted Loss Per Share	\$ 0.00	\$ (0.01)	\$ 0.00	\$ (0.01)
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	248,870,100	234,383,956	248,870,100	234,383,956

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

ALX Resources Corp.Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, January 1, 2024	248,870,100	\$ 23,357,006	\$ 2,932,156	\$(14,456,258)	11,832,904
Share-based compensation (Note 8)	-	-	28,324	-	28,324
Net loss for the period	-	-	-	(775,762)	(775,762)
Balance, September 30, 2024	248,870,100	\$ 23,357,006	\$ 2,960,480	\$(15,232,020)	\$ 11,085,466

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, January 1, 2023	234,383,956	\$ 22,999,822	\$ 2,829,446	\$(13,649,978)	12,179,290
Share-based compensation (Note 8)	-	-	57,658	-	57,658
Net loss for the period	-	-	-	(788,451)	(788,451)
Balance, September 30, 2023	234,383,956	\$ 22,999,822	\$ 2,887,104	\$(14,438,429)	\$ 11,448,497

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

ALX Resources Corp.
Condensed Interim Statements of Cash Flows
For the Nine Months ended September 30,
(Expressed in Canadian Dollars)

	2024	2023
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Net loss for the period	\$ (775,762)	\$ (788,451)
Items not involving cash:		
Deferred income tax recovery	(10,234)	(157,392)
Depreciation	31,144	26,277
Finance charges	11,164	2,742
Gain on sale of exploration and evaluation assets	(241,958)	(797,573)
Impairment of exploration and evaluation assets	121,596	595,860
Loss on sale of marketable securities	372,342	65,570
Share-based payments	28,324	57,658
Unrealized (gain)loss on marketable securities	(160,546)	343,323
Changes in non-cash operating working capital:		
Amounts receivable	4,163	30,002
Prepaid expenses	(98,704)	155,232
Accounts payable and accrued liabilities	5,536	(3,107)
Net cash flows (used in) operating activities	(712,935)	(469,859)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Proceeds from sale of resource property	230,000	400,000
Exploration and evaluation asset expenditures	(698,980)	(778,251)
Proceeds from sale of marketable securities	337,516	130,526
Net cash flows (used in) provided from investing activities	(131,464)	(247,725)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:		
Interest and finance charges paid	(11,164)	(2,742)
Repayment of lease liabilities	(24,820)	(33,242)
Net cash flows (used in) provided from financing activities	(35,984)	(35,984)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(880,383)	(753,568)
Cash and cash equivalents, beginning of period	1,369,485	2,033,247
Cash and cash equivalents, end of period	\$ 489,102	\$ 1,279,679

Supplemental disclosure with respect to cash flows (Note 11)

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

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2024

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

ALX Resources Corp. (“ALX” or the “Company”) is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia. The shares of the Company are listed on the TSX Venture Exchange (“TSX-V”) under the symbol ‘AL’, on the Frankfurt Stock Exchange (“FSE”) under the symbol “6LNN” and in the United States OTC market under the symbol ‘ALXEF’. The Company is principally engaged in the acquisition, exploration, and development of mineral properties.

The head office, principal address and registered and records office of the Company are located at 408 – 1199 West Pender Street, Vancouver, BC, Canada, V6E 2R1.

2. BASIS OF PREPARATION

Statement of compliance and basis of measurement

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting.

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as fair value through profit or loss (“FVTPL”). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Going concern of operations

These financial statements were prepared on a going concern basis, under the historical cost convention. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

Approval of the financial statements

The condensed interim financial statements of ALX Resources Corp. for the nine months ended September 30, 2024 were approved and authorized for issue by the board of directors on November 26, 2024.

Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, 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. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The ability of the Company to continue as a going concern for the next fiscal year;
- assessment as to whether any impairment exists in the valuation of exploration and evaluation assets;
- impairment of marketable securities;
- recovery of taxes and other receivables;
- the useful life and recoverability of property and equipment;
- rehabilitation provisions;
- fair value of share-based payments; and
- deferred income tax asset valuation allowances.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

3. MARKETABLE SECURITIES

The Company holds marketable securities in quoted public companies and a private company. The investments are measured at fair value using a level 1 input for public companies and a level 3 input for private companies in the fair value hierarchy. Public company shares held by the Company are listed on the Toronto Stock Exchange or the TSX Venture Stock Exchange or the Australian Securities Exchange and published price quotes are widely available. The aggregate amount of the investments can be summarized as follows:

	September 30, 2024		December 31, 2023	
	Cost	Fair Market Value	Cost	Fair Market Value
Cosa Resources Corp.	\$ 36,000	\$ 23,250	\$ 72,000	\$ 67,500
First Mining Gold Corp.	175,000	174,156	175,000	168,731
Forrestania Resources Ltd.	600,000	64,112	600,000	115,418
Fiscor Energy Corp.* ¹	15,000	15,000	-	-
Global Uranium & Enrichment Ltd.	-	-	478,338	145,299
Greenridge Exploraton Inc.*	231,000	225,000	-	-
Trinex Minerals Limited	250,000	128,315	-	-
Pegasus Resources Inc.	-	-	4,000	4,400
Nuclear Fuels Inc.	-	-	16,520	6,797
	\$ 1,307,000	\$ 629,833	\$ 1,345,858	\$ 508,145
Less: non-current marketable securities*	(130,500)	(127,500)	-	-
Total current marketable securities	\$ 1,176,500	\$ 502,333	\$ 1,345,858	\$ 508,145

¹Fiscor Energy Corp. is a privately held company.

4. PROPERTY AND EQUIPMENT

	Right-of-use asset (Note 9)
	\$
Cost:	
Balance, December 31, 2023	175,184
Additions	124,574
Dispositions	(175,184)
Balance, September 30, 2024	124,574
Accumulated depreciation:	
Balance, December 31, 2023	175,184
Additions	31,144
Dispositions	(175,184)
Balance, September 30, 2024	31,144
Carrying amounts:	
Balance, December 31, 2023	-
Balance, September 30, 2024	93,430

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to its mineral properties, and, to the best of its knowledge, except as described below, they are properly registered and in good standing.

	Energy Metals and Gold Properties	Uranium Properties	Total
Balance, January 1, 2023	4,412,081	5,198,590	9,610,671
Additions during the year-			
Property acquisition costs			
Cash	66,547	-	66,547
Staking	66,459	-	66,459
Common shares	12,000	-	12,000
Property exploration costs			
Assays	34,554	18,146	52,700
Camp	33,100	24,881	57,981
Field supplies and rentals	100,283	20,594	120,877
Geological and field personnel	331,698	121,171	452,869
Other	(196,139)	557	(195,582)
Surveying costs	434,181	236,100	670,281
Travel and accommodation	66,482	25,937	92,419
Total additions during the year	949,165	447,386	1,396,551
Proceeds received from sale or earn-in of exploration and evaluation assets	(381,428)	(568)	(381,996)
Impairment	(546,700)	(54,925)	(601,625)
Balance, December 31, 2023	4,433,118	5,590,483	10,023,601
Additions during the period-			
Property acquisition costs			
Cash	5,000	-	5,000
Staking	13,602	30,239	43,841
Property exploration costs			
Assays	18,950	48,856	67,806
Camp	26,283	82,862	109,145
Drilling	115,054	365,899	480,953
Field supplies and rentals	35,864	139,499	175,363
Geological and field personnel	166,493	142,055	308,548
Other	(57,490)	(44,000)	(101,490)
Surveying costs	123,018	-	123,018
Travel and accommodation	12,336	11,561	23,897
Total additions during the period	459,110	776,971	1,236,081
Proceeds received from sale or earn-in of exploration and evaluation assets	(10,000)	(1,229,043)	(1,239,043)
Impairment	(121,596)	-	(121,596)
Balance September 30, 2024	4,760,632	5,138,411	9,899,043

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2024

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties

Note	Energy Metals Properties						Gold Properties				Total
	Firebird Nickel Project	Electra Nickel Project	Flying Vee Nickel Project	Hydra Lithium Project	Anchor Lithium Project	Cannon Copper	Staked Energy Metals Properties	Alligator Gold Project	Vixen Gold Project	Other Gold Properties	
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Balance, January 1, 2023	1,179,415	884,258	548,505	121,958	29,330	103,089	48,765	1,339,220	1	157,540	4,412,081
Additions during the year --											
Property acquisition costs											
Cash	-	25,000	-	-	-	-	6,547	35,000	-	-	66,547
Staking	-	-	-	23,408	820	2,244	39,987	-	-	-	66,459
Common shares	-	4,500	-	-	-	-	-	7,500	-	-	12,000
Property exploration costs											
Assays	-	-	-	9,613	8,885	-	-	16,056	-	-	34,554
Camp	-	-	-	32,867	-	-	233	-	-	-	33,100
Drilling	-	-	-	-	-	-	-	-	-	-	-
Field supplies and rentals	-	12,349	-	87,583	-	-	-	351	-	-	100,283
Geological and field personnel	3,150	25,058	9,090	256,180	20,260	852	3,690	1,584	-	11,834	331,698
Other	-	(197,600)	-	-	-	-	-	-	-	1,461	(196,139)
Surveying costs	-	-	-	418,366	11,503	-	4,312	-	-	-	434,181
Travel and accommodation	-	-	-	60,186	6,296	-	-	-	-	-	66,482
Total additions during the year	3,150	(130,693)	9,090	888,203	47,764	3,096	54,769	60,491	-	13,295	949,165
Proceeds from earn-in of exploration and evaluation assets	-	-	-	(377,428)	-	-	-	-	-	(4,000)	(381,428)
Impairment of exploration and evaluation assets	-	-	(371,170)	-	-	-	(55,315)	-	-	(120,215)	(546,700)
Balance, December 31, 2023	1,182,565	753,565	186,425	632,733	77,094	106,185	48,219	1,399,711	1	46,620	4,433,118
Additions during the period --											
Property acquisition costs											
Cash	-	-	-	-	-	-	5,000	-	-	-	5,000
Staking	300	-	1,221	-	1,210	-	-	-	-	10,871	13,602
Property exploration costs											
Assays	-	5,533	-	12,519	-	898	-	-	-	-	18,950
Camp	-	942	-	25,341	-	-	-	-	-	-	26,283
Drilling	-	115,054	-	-	-	-	-	-	-	-	115,054
Field supplies and rentals	910	9,815	558	22,715	460	640	-	700	-	66	35,864
Geological and field personnel	3,510	3,450	2,250	111,295	3,955	21,638	17,276	227	-	2,892	166,493
Other	-	(57,690)	-	-	-	200	-	-	-	-	(57,490)
Surveying costs	-	-	-	106,217	-	14,601	2,200	-	-	-	123,018
Travel and accommodation	-	-	-	3,236	-	9,100	-	-	-	-	12,336
Total additions during the period	4,720	77,104	4,029	281,323	5,625	47,077	24,476	927	-	13,829	459,110
Proceeds from earn-in of exploration and evaluation assets	-	-	(10,000)	-	-	-	-	-	-	-	(10,000)
Impairment of exploration and evaluation assets	-	-	(38,878)	-	(82,718)	-	-	-	-	-	(121,596)
Balance, September 30, 2024	1,187,285	830,669	141,576	914,056	1	153,262	72,695	1,400,638	1	60,449	4,760,632

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2024

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

i) Firebird Nickel

The Firebird Nickel Project (“Firebird”) is located approximately 14 kilometres northwest of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking most of the claims in May of 2019. The project is prospective for nickel, copper, and cobalt. Included within the Firebird Nickel Project are the Axis Lake, Currie Lake, and Rea Lake claims. ALX acquired a 100% interest in these claims from three separate vendors by paying a total of \$52,000 and issuing 3,950,000 common shares valued at \$133,500. The vendors each retained a 2.0% net smelter returns royalty (“NSR”) and the Company has the right to purchase up to half of the NSRs for a total of \$5.0 million.

On August 21, 2020, ALX entered into an option agreement with Rio Tinto Exploration Canada Inc. (“Rio Tinto”) on the Company’s Firebird Nickel Project. Rio Tinto may acquire up to an 80% interest in Firebird by incurring a total of \$12.0 million in exploration expenditures over seven years.

During the year ended December 31, 2023, ALX received notice from Rio Tinto to terminate the option agreement and therefore ALX will retain its 100% interest in the Firebird Nickel Project.

ii) Electra Nickel Project

On December 17, 2020, the Company executed an option agreement to acquire up to a 100% interest in the Electra Nickel Project located near Thunder Bay, Ontario. The TSX Venture Exchange approved the agreement on January 6, 2021 and this date is also deemed to be the “Anniversary Date” of the agreement. To earn its interest, the Company will pay a total of \$135,000 in cash, issue 1.1 million common shares, and incur \$500,000 in exploration expenditures according to the following schedule:

- A non-refundable \$3,000 cash payment paid by ALX as a pre-option payment for an exclusive 45-day period during which ALX conducted due diligence on the Project (completed);
- On the approval of TSX Venture Exchange: \$7,000 in cash (paid) and 300,000 common shares (issued and valued at \$25,500);
- On or before 1st Anniversary Date: \$15,000 in cash (paid) and 250,000 common shares (issued and valued at \$21,250), and \$100,000 in exploration expenditures (completed);
- On or before 2nd Anniversary Date: \$20,000 in cash (paid) and 200,000 common shares (issued and valued at \$7,000), and an additional \$100,000 in exploration expenditures (completed);
- On or before 3rd Anniversary Date: \$25,000 in cash (paid) and 150,000 common shares (issued and valued at \$4,500), and an additional \$100,000 in exploration expenditures (completed);
- On or before 4th Anniversary Date: \$30,000 in cash and 100,000 common shares, and an additional \$100,000 in exploration expenditures;
- On or before 5th Anniversary Date: \$35,000 in cash and 100,000 common shares and an additional \$100,000 in exploration expenditures.

The property is subject to a 2.5% NSR. At any time, ALX shall have the right to purchase up to 1.5% of the NSR in three increments for \$500,000 per increment. The agreement was approved by the TSX Venture Exchange on January 6, 2021. In March 2021, the Company staked additional claims in the surrounding area.

iii) Flying Vee Nickel Project

Flying Vee is located approximately 25 kilometres north of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking in April 2019. In June 2021, the Company staked additional claims in the surrounding area. This project is prospective for nickel, copper, and cobalt.

During the year ended December 31, 2023, and the period ended September 30, 2024, the Company paired down these claims to the most prospective areas and recorded an impairment charge of \$371,170 and \$38,878, respectively.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

iv) Hydra Lithium Project

The Hydra Lithium Project is located in the James Bay region of northern Quebec, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-cesium-tantalum type pegmatites.

On May 4, 2023, the Company granted an option to Forrestania Resources Limited (“Forrestania”) to earn a 50% interest in the Company’s Hydra Lithium Project (“Hydra”). On July 7, 2023, Forrestania exercised their option to acquire a 50% interest in Hydra by paying \$400,000 in cash, and issuing \$600,000 in Forrestania common shares to ALX. As of July 7, 2023, ALX had incurred \$377,428 of exploration expenditures and accordingly, recorded \$622,572 gain on disposal of its 50% interest in Hydra.

A joint venture will be formed between the parties to explore and administer Hydra, with ALX acting as operator in exchange for an industry-standard administration fee. Upon the creation of the joint venture, ALX and Forrestania will each vest with a 1.50% NSR. To date, Forrestania has not executed the joint venture agreement and no funds have been received by ALX from Forrestania toward the 2024 exploration program.

v) Anchor Lithium Project

The Anchor Lithium Project is located in the central and western Nova Scotia, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-bearing pegmatites.

During the quarter ended September 30, 2024, the Company recorded an impairment charge of \$82,718.

vi) Cannon Copper (formerly the “Kamichisitit Claims”)

In June 2012, the Company acquired, by staking, claims located in Kamichisitit Township, situated approximately 40 kilometres north of Iron Bridge, Ontario. This project is prospective for copper.

vii) Other Staked Energy Metals Properties

The Draco VMS Project is located in Grong district of Norway and ALX acquired a 100% interest by staking in May 2019. This project is prospective for copper-zinc-gold-silver. During the year ended December 31, 2022, the Company paired down these claims to the most prospective areas and recorded an impairment charge of \$134,467. During the year ended December 31, 2023, the Company recorded an additional impairment charge of \$55,315.

The Crystal Lithium Project is located in northern Saskatchewan, Canada and ALX has acquired a 100% interest by staking in February 2023. This project is prospective for lithium in lithium-cesium-tantalum type pegmatites.

On March 10, 2023, the Company acquired the Reindeer Lithium Project in northern Saskatchewan by paying \$12,500 to the vendor for a 100% interest. The vendor also retains 2.0% NSR. ALX is entitled to purchase one-half of the NSR (1.0%) from the vendor at any time within five years from closing of the transaction for \$2,000,000.

On September 7, 2024, the Company entered into a letter agreement for an option to earn a 100% interest in the Lac Le Roux Property located in Quebec, Canada. The property is prospective for rare earth metals. The Company paid \$5,000 for an exclusive 90-day due diligence period. Upon entering into an approved definitive agreement, ALX will pay and issue: i) \$20,000 in cash and issue \$25,000 of common shares; and ii) \$35,000 in cash and issue \$50,000 of common shares within 12-months. ALX shall also incur \$100,000 in exploration expenditures to earn a 100% interest. The definitive agreement is subject to the approval of TSX Venture Exchange.

viii) Alligator Gold Project

On February 18, 2021, ALX entered into an option agreement with Alligator Resources Ltd. (“Optionor”), whereby the Company may acquire up to an 80% interest in the Optionor’s Alligator Gold Project, located in Saskatchewan, by

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

viii) Alligator Gold Project - continued

incurring a total of \$1.25 million in exploration expenditures over four years, issuing 1,500,000 common shares of the Company and by making cash payments to the Optionor totaling \$150,000, as outlined in the following summary:

- The Company has acquired a 51% interest in the Alligator property (the “First Option”) by funding \$500,000 (completed) in exploration expenditures, making cash payment totalling \$70,000 and issuing an aggregate of 750,000 common shares of the Company by December 31, 2022.
- The Company may elect to pursue its right to acquire up to an 80% interest in the project (the “Second Option”). To earn an additional 29% interest in the Alligator property the Company must:
 - On or before December 31, 2023, the Company shall make a cash payment of \$35,000 (paid) and issue an additional 250,000 common shares (issued and valued at \$7,500) of the Company;
 - On or before December 31, 2024, the Company shall make a cash payment of \$45,000 and issue an additional 500,000 common shares of the Company; and
 - The Company shall incur additional expenditures of at least \$750,000 at the property.

Upon the Company earning an 80% interest in the property the Company and the Optionor shall form a joint venture with the terms to be negotiated under a separate joint venture agreement.

Two of the claims comprising the property are subject to an underlying 2.5% NSR on the sale of valuable minerals from the project. At any time, ALX shall have the right to purchase 1.25% of the NSR for US\$1,000,000.

ix) Vixen Gold Project

On September 24, 2019, the Company entered into an agreement to acquire a 100% interest in the Vixen Gold Project, located in Red Lake Mining District of Ontario from DG Resource Management Ltd. (“DG”), a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$30,605 to reimburse staking costs and agreed to an exclusive three-year geological service agreement with DG. DG retained a NSR of 2%. The Company may at any time acquire 1% of the NSR by paying \$1,500,000. The agreement was approved by the TSX Venture Exchange on October 22, 2019.

On March 24, 2021, ALX entered into a purchase agreement to acquire a 100% interest in eight claims contiguous to the Company’s Vixen Gold Project in exchange for \$2,500 (paid) and issuing 200,000 common shares (issued and valued at \$19,000) of the Company. The vendor has retained a net smelter royalty (“NSR”) of 1.5%. The Company may at any time purchase the NSR by paying \$1,500,000.

On May 7, 2021, ALX entered into a purchase agreement to acquire a 100% interest in fourteen claims and one patented claim contiguous to the Company’s Vixen Gold Project in exchange for \$40,000 (paid) and issuing 500,000 common shares (issued and valued at \$30,000) of the Company. The vendor retained an NSR of 2.5%. The Company may at any time acquire 1.25% of the NSR by paying \$1,250,000.

On September 7, 2021 and as amended on September 15, 2023, ALX entered into an earn-in option agreement with First Mining Gold Corp. (“First Mining”) for all claims within ALX’s 100% owned Vixen Gold Project (“Vixen”). First Mining will have the option to earn an initial 70% interest in Vixen by paying cash and common shares totalling \$1,000,000, and incurring \$500,000 in exploration expenditures. Upon completing the first stage of the earn-in, First Mining will hold, a 70% interest in Vixen and may acquire the remaining 30% interest in Vixen by paying cash and common shares totalling \$1,000,000. In summary, First Mining may acquire a 100% interest in Vixen by paying cash and common shares totalling \$2,000,000, and incurring \$500,000 in exploration expenditures. The value and number of common shares to be issued by First Mining will be calculated using the prior day’s 20-day VWAP. Details of the agreement are as follows:

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

ix) Vixen Gold Project - continued

- For First Mining to acquire a 70% interest in Vixen (the “First Option”) it must:
 - On closing, pay \$250,000 in cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2022, pay \$100,000 cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2023, issue \$175,000 of common shares to ALX (received);
 - On or before September 15, 2024, issue \$175,000 of common shares to ALX (received);
 - On or before September 15, 2025, issue \$100,000 of common shares to ALX; and
 - On or before September 15, 2025, fund and incur \$500,000 of Vixen exploration expenditures.
- Upon First Mining acquiring a 70% interest in Vixen, it may elect to acquire up to an 100% interest in Vixen within two years (the “Second Option”). To earn an additional 30% interest, First Mining must pay \$500,000 in cash and issue \$500,000 of common shares to ALX. In the event that First Mining elects not to complete the Second Option of the earn-in, ALX and First Mining will enter into a 70%-30% joint venture agreement with respect to Vixen.
- Under the agreement First Mining assumes the underlying NSR agreements. Further, the Company has been granted a 2% NSR on certain claims of which First Mining can repurchase 1% for \$1,000,000.

x) Other Gold Properties

In July and November 2020, the Company acquired by staking a 100% interest in several claim blocks prospective for gold located in Saskatchewan by staking the Sceptre Gold Project and the Hummingbird Gold Project. During the year ended December 31, 2023, the Company recorded a full impairment charge for Sceptre and a partial impairment charge for Hummingbird totalling \$120,215.

On October 5, 2021, the Company granted an option to Pegasus Resources Inc. (“Pegasus”) to acquire an interest in four claims that form part of the Hummingbird Gold Project. Pegasus can earn a 70% interest by paying \$50,000, issuing 70,000 common shares, and incurring \$300,000 of exploration expenditures over three years. If Pegasus does not earn a 70% interest, the option will be terminated and ALX will retain a 100% interest. Pegasus can earn the remaining 30% interest by paying \$200,000 and issuing 50,000 common shares by the 5th anniversary of the agreement date, otherwise a joint venture would be formed. To the end of the reporting period, the Company has received \$50,000 and 45,000 common shares valued at \$16,000.

During the quarter ended June 30, 2024, the Company acquired by staking a 100% interest in the Blackbird Project in the northern Saskatchewan, Canada.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2024

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

	Gibbons Creek	Hook- Carter	Black Lake	Sabre	Bradley Lake	Javelin	McKenzie Lake	Carpenter Lake	Cluff Lake	Other Uranium Properties	Total
Note	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	(xvii)	(xviii)	(xix)	(xx)	
Balance, January 1, 2023	2,670,737	15,411	1,627,872	129,303	-	235,558	161,125	299,943	568	58,073	5,198,590
Additions during the year --											
Property exploration costs											
Assays	12,235	-	-	5,304	-	-	607	-	-	-	18,146
Camp	15,748	-	-	-	-	-	9,133	-	-	-	24,881
Field supplies & rentals	10,212	-	-	514	-	133	6,620	3,115	-	-	20,594
Geological and field personnel	17,348	-	-	27,978	1,930	14,561	57,381	1,973	-	-	121,171
Other expenses	3,670	-	-	-	-	-	-	31	-	(3,144)	557
Surveying costs	24,605	-	-	140,047	-	5,025	66,423	-	-	-	236,100
Travel and accommodation	7,209	-	-	8,721	-	-	10,007	-	-	-	25,937
Total additions during the year	91,027	-	-	182,564	1,930	19,719	150,171	5,119	-	(3,144)	447,386
Proceeds received from earn-in of exploration and evaluation assets	-	-	-	-	-	-	-	-	(568)	-	(568)
Impairment of exploration and evaluation assets	-	-	-	-	-	-	-	-	-	(54,925)	(54,925)
Balance, December 31, 2023	2,761,764	15,411	1,627,872	311,867	1,930	255,277	311,296	305,062	-	4	5,590,483
Additions during the period --											
Property acquisition costs											
Staking	-	-	-	-	-	996	-	1,323	-	27,920	30,239
Property exploration costs											
Assays	48,356	500	-	-	-	-	-	-	-	-	48,856
Camp	81,577	-	-	-	-	-	1,285	-	-	-	82,862
Drilling	365,899	-	-	-	-	-	-	-	-	-	365,899
Field supplies & rentals	133,056	-	-	1,000	-	400	1,193	3,850	-	-	139,499
Geological and field personnel	126,794	3,346	175	6,844	175	1,235	677	2,809	-	-	142,055
Other expenses	(50,000)	-	-	-	-	-	-	6,000	-	-	(44,000)
Travel and accommodation	9,464	-	-	-	-	-	2,097	-	-	-	11,561
Total additions during the period	715,146	3,846	175	7,844	175	2,631	5,252	13,982	-	27,920	776,971
Proceeds received from earn-in of exploration and evaluation assets	(910,000)	-	-	-	-	-	-	(319,043)	-	-	(1,229,043)
Balance, September 30, 2024	2,566,910	19,257	1,628,047	319,711	2,105	257,908	316,548	1	-	27,924	5,138,411

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2024

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xi) Gibbons Creek Property

In 2013, the Company acquired, by staking, claims known as the Gibbon's Creek Property. Additionally, on November 27, 2013, the Company announced that it signed a joint venture agreement (the "JV Agreement") with Star Minerals Group Ltd. ("Star Minerals") granting the Company an option to acquire a 100% interest in additional claims located in the Athabasca Basin, near the Gibbons Creek Property. Under the terms of the JV agreement, the Company earned a 100% interest in the additional claims by paying \$60,000 (paid) and issuing 200,000 common shares (issued). Star Minerals will retain the option of a 25% buyback for four times the exploration monies spent by the Company to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90-day period following the completion and publication of a NI 43-101 compliant resource estimate. (see Note 13 – Events after the reporting period)

ALX entered into a definitive agreement for its Gibbons Creek Property ("Gibbons") on May 7, 2024, (the "Effective Date"). Trinex Minerals Limited ("Trinex") can earn an initial 51% interest and up to a 75% participating interest in Gibbons in two stages over five years by making cash and common share payments to ALX of up to \$1.35 million and \$2.25 million respectively, and by incurring exploration expenditures totaling \$5.5 million as follows:

Option Stages	Cash Payments	Value of Share Payments	Annual Exploration Expenditures	Participating Interest Earned by Trinex
Upon signing the Letter Agreement (Feb/2024)	\$50,000 (received)	-	-	-
Upon signing the Definitive Agreement	\$50,000 (received)	\$250,000 (received)	-	-
On or before 1st Anniversary	\$150,000	\$300,000	\$1,000,000	-
On or before 2nd Anniversary	\$200,000	\$350,000	\$1,000,000	-
On or before 3rd Anniversary	\$250,000	\$400,000	\$1,000,000	51%
On or before 4th Anniversary	\$300,000	\$450,000	\$1,250,000	-
On or before 5th Anniversary	\$350,000	\$500,000	\$1,250,000	75%
TOTALS	\$1,350,000	\$2,250,000	\$5,500,000	75%

Upon signing the definitive agreement, ALX has received \$100,000 and 68,743,011 common shares of Trinex valued at \$250,000. The common shares are subject to a 12-month escrow agreement restricting their sale. ALX also received a reimbursement from Trinex for a drill program completed prior to the definitive agreement equal to an agreed amount of \$560,000.

xii) Hook-Carter Property

Prior to the definitive agreement described below, the Hook-Carter Property was 100% owned by the Company, subject to various royalties. The property was acquired mostly by staking with certain claims being acquired in 2015 by paying \$40,000 and issuing 266,667 common shares valued at \$28,000. It is located in the Patterson Lake Corridor on the southwest side of the Athabasca Basin in Saskatchewan.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xii) Hook-Carter Property - continued

On November 4, 2016, the Company completed the sale of an 80% interest in the Hook-Carter Property to Denison Mines Corp. (“Denison”). Under the terms of the agreement, the Company received 7.5 million common shares of Denison with a value of \$3.825 million in exchange for an immediate 80% interest in the property. ALX retained a 20% interest in the property.

On November 4, 2019, under the terms of the definitive agreement, Denison and ALX agreed to the formation of a deemed joint venture, and that the parties will make best efforts to execute a joint venture agreement prior to Denison’s funding of the first \$12.0 million in expenditures.

In November 2016, Denison also purchased the Coppin Lake property from Orano Canada Inc. and UEX Corporation for cash payments of \$35,000 and a 1.5% NSR. Under the terms of the Hook-Carter Property agreement, Denison and ALX have elected to have these claims form part of the Hook-Carter Property and ALX’s interest in these claims will be the same as its interest in the Hook-Carter Property.

On May 21, 2024 ALX amended its agreement for the Hook-Carter property with Denison. ALX can increase its interest from 20% to 25% by funding \$3.0 million in exploration over the next 30 months. Denison will not be obligated to fund any further exploration expenditures until completion of the ALX earn-in period and then expenditures will be funded on a pro-rata basis. ALX and Denison must jointly approve all expenditures during the earn-in period. Furthermore, ALX is obligated to fund a minimum of \$500,000 prior to March 31, 2025, and shall reasonably demonstrate, prior to June 30, 2025, that it has secured a further \$750,000 committed to exploration expenditures at Hook-Carter.

xiii) Black Lake Project

On September 5, 2017, the Company entered into option agreement with UEX Corporation (“UEX”) to earn up to a 75% interest in the Black Lake Project. ALX’s option to acquire up to a 75% interest in the project has expired, but the Company has earned and maintained a 40% participating interest in the project by issuing 5,000,000 common shares and incurring certain exploration expenditures.

xiv) Sabre Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in Sabre Uranium Project. The claims are located in the Athabasca Basin area of Saskatchewan, Canada.

xv) Bradley Uranium Project

During the year ended December 31, 2023, the Company acquired by staking a 100% interest in the Bradley Uranium Project. The claim is located approximately 30 kilometres northwest of Stony Rapids, Saskatchewan, Canada.

xvi) Javelin Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in Javelin Uranium Project. The claims are located in the eastern margin of the Athabasca Basin of Saskatchewan, Canada.

xvii) McKenzie Lake Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in McKenzie Lake Uranium Project. The claims are located in the eastern margin of the Athabasca Basin of Saskatchewan, Canada.

On September 21, 2021, the Company entered into a purchase agreement to acquire a 100% interest in additional claims adjacent to its staked McKenzie Lake claims. The vendor will retain a 2% Net Smelter Royalty (“NSR”) on the Properties,

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xvii) McKenzie Lake Uranium Project - continued

1% of which can be purchased by the Company for \$1,000,000. To complete the purchase, the Company paid \$7,500 and issued 250,000 common shares (valued at \$30,000). The transaction was approved by the TSX-V on October 4, 2021.

xviii) Carpenter Lake Property

On January 13, 2014, the Company entered into an option agreement with Renegade Gold Inc. (“Renegade”) to acquire a 60% interest in the Carpenter Lake property located in Northern Saskatchewan. The Company has earned its interest by paying \$60,000, issuing 200,000 common shares valued at \$93,000, and incurring at least \$1,250,000 in exploration expenditures.

As of November 10, 2014, a joint venture was formed between the Company (60%) and Renegade (40%) for the further development of the property, with the Company serving as the operator. The property is subject to a royalty equal to 5% of gross revenues, which is owned by the original vendors.

On May 20, 2024, ALX and Renegade granted an option to Greenridge Exploration Inc. (“Greenridge”) to earn a 100% interest in the Carpenter Lake Property. In order to earn ALX’s 60% interest, Greenridge shall complete the following:

- Pay ALX \$60,000 within ten days, the later of the effective date of the agreement or the signing of certain 3rd party agreements (received);
- Pay ALX \$60,000 within sixty days, the later of the effective date of the agreement or the signing of certain 3rd party agreements (received);
- Issue ALX 300,000 common shares within ten days, the later of the effective date of the agreement or the signing of certain 3rd party agreements (received);
- Issue ALX 300,000 common shares within one year of the effective date;
- Issue ALX 300,000 common shares within two years of the effective date;
- Incur \$1,000,000 in exploration expenditures within three years of the effective date;

The Greenridge common shares are subject to an escrow agreement with staged releases whereby the 1st tranche is released over 24 months, the 2nd tranche over 18 months, and the 3rd tranche over 12 months from the date of issuance.

xix) Cluff Lake Project

This property was owned 50% by the Company and 50% by Rio Tinto Ltd. The Bridle Lake Property is located adjacent to the north of the former Cluff Lake Mine area in the western portion of the Athabasca Basin in Northern Saskatchewan. During the year ended December 31, 2023, the Company sold its remaining interest for \$250,000.

xx) Other Uranium Properties

Staked Properties

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in various claims in the Athabasca Basin area of Saskatchewan, Canada. These staked claims are known as Edge, Sphere, and Vulcan. During the quarter ended September 30, 2023, the Company recorded an impairment charge of \$54,925.

Prior to the year ended December 31, 2023, the Company sold most of its staked claims in two separate transactions. The first sale transaction for certain claims included \$20,000 in cash (received) and 150,000 common shares valued at \$72,000 (received). The second sale transaction included \$20,000 in cash (received) and 750,000 common shares valued at \$15,000 and were received during the quarter ended March 31, 2024.

During the quarter ended March 31, 2024, the Company acquired by staking a 100% interest in various claims in the Athabasca Basin area of Saskatchewan, Canada.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

6. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During the quarter ending December 31, 2023, the Company issued a total of 14,086,144 units on a flow-through basis at \$0.035 per unit for gross proceeds \$493,015 and recognized a liability for flow-through shares of \$106,145. The Company has spent \$397,532 of the flow-through funds and has reversed \$85,588 of the flow through liability.

At September 30, 2024, the amount of flow-through proceeds remaining to be expended is \$95,483 (December 31, 2023 - \$143,015) and the balance of the liability for flow-through shares is \$20,557 (December 31, 2023 - \$30,791).

7. SHARE CAPITAL

- a) Authorized: Unlimited number of common shares without nominal or par value.
- b) Issued: The total issued and outstanding shares of the Company at September 30, 2024 is 248,870,100 (December 31, 2023 – 248,870,100).

During the year ended December 31, 2023:

- i) During the fourth quarter of 2023, the Company closed a non-brokered private placement consisting of 14,086,144 flow-through units for gross proceeds of \$493,015 (with \$106,145 being recognized as a liability for flow-through shares). The flow-through units were sold at a price of \$0.035 per unit, consisting of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to purchase one non-flow through common share of the Company at a price of \$0.05 for up to two years from closing. In conjunction with the private placement the Company paid finder's fees of \$25,412 and issued 726,043 finder fee warrants valued at \$11,961. Each warrant is exercisable at \$0.05 per common share of the Company for a period of two years from closing.
 - ii) On December 18, 2023, issued 150,000 common shares for the Electra Nickel Project exploration and evaluation assets.
 - iii) On December 18, 2023, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.
- c) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

	September 30, 2024		December 31, 2023	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	58,287,560	0.085	89,557,960	0.11
Expired	(18,531,250)	0.125	(46,082,587)	0.12
Issued	-	-	14,812,187	0.05
Balance, end of period/year	39,756,310	0.066	58,287,560	0.085

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

7. SHARE CAPITAL - continued

c) Warrants: - continued

The following warrants were outstanding as at September 30, 2024:

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
December 17, 2024*	\$ 0.080	10,064,623	0.21
December 30, 2024*	\$ 0.080	680,000	0.25
November 3, 2025	\$ 0.075	8,900,000	1.09
November 3, 2025	\$ 0.050	1,005,000	1.09
November 10, 2025	\$ 0.050	7,520,901	1.11
November 17, 2025	\$ 0.075	3,062,500	1.13
November 21, 2025	\$ 0.075	1,100,000	1.14
November 21, 2025	\$ 0.050	132,000	1.14
November 30, 2025	\$ 0.050	6,148,000	1.17
December 29, 2025	\$ 0.050	1,143,286	1.25
Total		39,756,310	

Weight average remaining life of warrants outstanding 0.88

* The original expiry dates of these warrants were extended by 24 months

The Company applies the fair value method in accounting for its finder fee warrants using the Black-Scholes pricing model. During the period ended September 30, 2024, the Company issued nil finder fee warrants. During the year ended December 31, 2023, the Company issued 726,043 finder fee warrants. The finder fee warrants granted resulted in share issue costs of \$11,961. The following parameters were used to value finder fee warrants:

	September 30, 2024	December 31, 2023
Expected Life	n/a	2 years
Risk-free interest rate	n/a	4.39%
Annualized volatility	n/a	142%
Dividend rate	n/a	n/a
Fair value of shares at grant date	n/a	\$0.016

8. RESERVES

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the board of directors but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option is limited to a maximum term of ten years.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

8. RESERVES - continued

The following stock option grants were issued during the period ended September 30, 2024 and the year ended December 31, 2023:

- On June 26, 2023 the Company granted 4,800,000 stock options (2,300,000 were issued to Directors and Officers) with an exercise price of \$0.05 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.

The following is a summary of option transactions under the Company's stock option plan for the period ended September 30, 2024 and the year ended December 31, 2023:

	September 30, 2024		December 31, 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	19,100,000	\$ 0.07	14,300,000	\$ 0.08
Expired/Cancelled	(3,400,000)	0.07	-	-
Granted	-	-	4,800,000	0.05
Balance, end of year	15,700,000	\$ 0.07	19,100,000	\$ 0.07

The following stock options were outstanding and exercisable as at September 30, 2024:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Remaining Contractual Life (Years)
January 16, 2025	\$ 0.070	2,900,000	2,900,000	0.30
September 25, 2025	\$ 0.100	1,050,000	1,050,000	0.99
February 26, 2026	\$ 0.075	3,450,000	3,450,000	1.41
March 15, 2026	\$ 0.100	150,000	150,000	1.45
January 4, 2027	\$ 0.090	3,350,000	3,350,000	2.26
June 26, 2028	\$ 0.050	4,800,000	4,800,000	3.74
Total		15,700,000	15,700,000	
Weighted average remaining life of stock options outstanding and exercisable				2.07

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the period ended September 30, 2024, the Company issued a total of nil (September 30, 2023 – 4,800,000) incentive stock options to directors, officers, employees, and consultants of the Company. During the period ended September 30, 2024, the options issued and vested resulted in share-based payments of \$28,324 (September 30, 2023 – \$57,658). The following parameters were used to value the stock options:

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

8. RESERVES - continued

	September 30, 2024	September 30, 2023
Expected Life	5 years	5 years
Risk-free interest rate	3.70%	3.70%
Annualized volatility	127.86%	127.86%
Dividend rate	N/A	N/A
Fair value of shares at grant date	0.02	0.02

9. COMMITMENT/LEASE LIABILITY

On January 1, 2019 the Company entered into a five-year office lease. The Company is required to pay annual operating costs plus annual base rent of \$44,425 per year in the first two years and \$47,979 per year in the final three years of the lease. The Company rents out a portion of its office for one-half of the Company's monthly lease obligation. The sub-tenant is also responsible for one-half of the annual operating costs payable under the office lease. Sub-leases are included in interest and recovery of office and general on the statement of comprehensive loss.

The Company has renewed its lease by entering into a new three agreement which commenced on January 1, 2024. Annual base lease payments are \$47,979 in year one, \$51,553 in year two, and \$55,087 in year three. All other terms will remain the same.

The underlying lease payments have been discounted, at the inception of the lease, using the Company's incremental borrowing rate of 15% on January 1, 2024 (January 1, 2019 – 12%). On January 1, 2024, the present value of future lease payments and initial recognition of the right-of-use asset totaled \$124,574 (January 1, 2019 - \$175,184). (See Note 4).

Lease liability

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	September 30, 2024	December 31, 2023
Undiscounted minimum lease payments:		
Less than one year	\$ 50,645	\$ -
Two to three years	67,970	-
	\$ 118,615	\$ -
Effect of discounting	(18,861)	-
Present value of minimum lease payments	\$ 99,754	\$ -
Less current portion	(38,186)	-
Long-term portion	\$ 61,568	\$ -

Lease liability continuity

The net change in the lease liability is as follows:

	September 30, 2024	December 31, 2023
Lease liability - beginning of year	\$ 124,574	\$ 45,001
Cash flows:		
Principal payments	(24,820)	(45,001)
Lease liability - end of period/year	\$ 99,754	\$ -

During the period ended September 30, 2024, interest of \$11,164 (September 30, 2023 – \$2,742) is included in interest expense and recovery of office and general.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers, vice-presidents and members of its board of directors.

The following compensation was awarded to key management personnel:

	Three Months Ended		Nine Months Ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Salaries and consulting fees	\$ 73,800	\$ 73,800	\$ 221,400	\$ 228,600
Share-based compensation	-	26,070	13,573	27,867
Key management personnel compensation	\$ 73,800	\$ 99,870	\$ 234,973	\$ 256,467

During the period ended September 30, 2024, the Company incurred consulting fees of \$nil (September 30, 2023 - \$1,131) and exploration costs of \$nil (September 30, 2023 - \$26,025) with Dahrouge Geological Consulting Ltd., a company controlled by Jody Dahrouge who was also a director of ALX.

Related party amounts are unsecured, non-interest bearing and due on demand. As at September 30, 2024, \$22,291 (December 31, 2023 - \$nil) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	September 30,		September 30,	
	2024		2023	
Exploration and evaluation costs in accounts payable	\$	22,466	\$	105,231
Exploration and evaluation fees in accounts receivable	\$	-	\$	3,112
Marketable securities received for exploration and evaluation assets	\$	656,000	\$	775,000

12. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)

12. FINANCIAL RISK MANAGEMENT - continued

(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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(c) Foreign exchange risk

With the exception of certain investments, the Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars. The Company holds certain equity securities that are traded on the Australian Securities Exchange and quoted in Australian dollars. Fluctuations in the value of the Australian dollar can impact the fair value of Company's securities and or the value of the Australian dollars received should these securities be divested.

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

There were no changes in the Company's approach to capital management during the period ended September 30, 2024 or the year ended December 31, 2023. The Company is not subject to any externally imposed capital requirements.

(f) Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2024

(Expressed in Canadian Dollars)

12. FINANCIAL RISK MANAGEMENT – continued

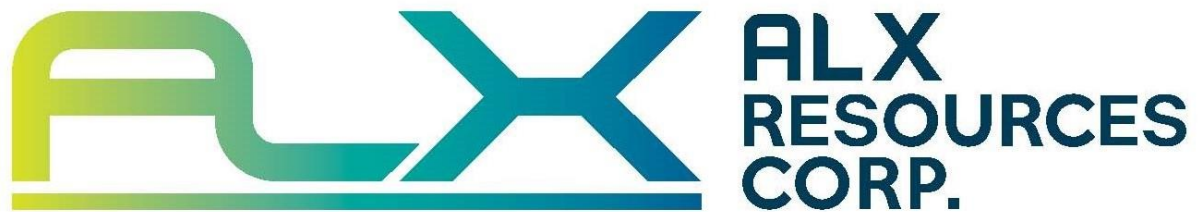
The following is an analysis of the Company's financial assets measured at fair value as at September 30, 2024 and December 31, 2023:

	As at September 30, 2024		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 489,102	\$ -	\$ -
Marketable securities	614,833	-	15,000
	\$ 1,103,935	\$ -	\$ 15,000

	As at December 31, 2023		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 1,369,485	\$ -	\$ -
Marketable securities	508,145	-	-
	\$ 1,877,630	\$ -	\$ -

13. EVENT AFTER THE REPORTING PERIOD

On October 11, 2024 ALX entered into a binding Arrangement Agreement (“the Arrangement”) whereby Greenridge Exploration Inc. (“GXP”) will acquire all the issued and outstanding shares of ALX. ALX shareholders will receive 0.045 common shares of Greenridge for each common share of ALX, subject to shareholder approval, court and regulatory approvals, and approval of the TSX Venture Exchange. ALX shareholders will vote on the Arrangement at the Company's Annual and Special shareholder meeting scheduled for December 2, 2024. The resolutions to approve the Arrangement will be subject to approval of 66 2/3 % of the votes cast by ALX shareholders.



Condensed Interim Financial Statements

Nine Months Ended September 30, 2023

(Expressed in Canadian Dollars)

**Notice of No Auditor Review of
Condensed Interim Financial Statements**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements, they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor.

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

ALX Resources Corp.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	September 30, 2023	December 31, 2022
Assets		
Current		
Cash and cash equivalents	\$ 1,279,679	\$ 2,033,247
Taxes receivable	31,077	26,622
Other receivables	13,507	137,813
Marketable securities (Note 3)	596,451	360,870
Prepaid expenses and deposits	80,942	236,174
Total Current Assets	2,001,656	2,794,726
Property and equipment (Note 4)	8,759	35,036
Exploration and evaluation assets (Note 5)	9,573,095	9,610,671
Total Assets	\$ 11,583,510	\$ 12,440,433
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 123,254	\$ 58,750
Current portion of lease liability (Note 9)	11,759	45,001
Liability for flow-through shares (Note 6)	-	157,392
Total Current Liabilities	135,013	261,143
Equity		
Share capital (Note 7)	22,999,822	22,999,822
Reserves (Note 8)	2,887,104	2,829,446
Deficit	(14,438,429)	(13,649,978)
Total Equity	11,448,497	12,179,290
Total Liabilities and Equity	\$ 11,583,510	\$ 12,440,433
Going concern of operations (Note 2)		
Commitments (Note 9)		
Events after the reporting period (Note 13)		

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

ALX Resources Corp.

Condensed Interim Statements of Comprehensive Income (Loss)
For the Three and Nine Months ended September 30, 2023 and 2022
(Expressed in Canadian Dollars)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Expenses				
Accounting and audit fees	\$ -	\$ 2,000	\$ 26,300	\$ 23,000
Advertising and promotion	44,937	45,895	149,571	210,988
Consulting fees and salaries (Note 10)	129,240	120,418	398,434	378,295
Depreciation	8,759	8,760	26,277	27,245
Insurance	7,937	7,622	22,730	20,455
Investor relations	4,601	4,346	10,851	12,123
Legal fees	4,382	3,393	23,799	11,906
Office and general	21,860	21,976	66,801	64,248
Property investigation	-	125	-	36,953
Share-based payments (Note 8)	54,402	42,544	57,658	233,190
Transfer agent and filing fees	6,897	7,349	21,759	26,078
Travel Expenses	1,159	360	14,807	10,482
Operating Expenses	284,174	264,788	818,987	1,054,963
Other Income (Expense)				
Foreign exchange loss	-	2	-	(51,427)
Gain on sale of exploration and evaluation assets (Note 5)	797,573	62,805	797,573	62,805
Impairment of exploration and evaluation assets (Note 5)	(595,860)	-	(595,860)	-
Interest and recovery of office and general	27,703	20,910	80,324	51,056
Loss on sale of marketable securities (Note 3)	-	(44,216)	(65,570)	(76,420)
Operator fees	-	-	-	782
Unrealized (loss)gain on marketable securities (Note 3)	(371,890)	236,272	(343,323)	(168,197)
(Loss)Income before Income Taxes	(426,648)	10,985	(945,843)	(1,236,364)
Deferred income tax recovery (Note 6)	57,649	-	157,392	91,092
Net (Loss)Income and Comprehensive (Loss)Income for the Period	\$ (368,999)	\$ 10,985	\$ (788,451)	\$ (1,145,272)
Basic&Diluted (Loss)Income Per Share	\$ (0.01)	\$ 0.01	\$ (0.01)	\$ (0.01)
Weighted Average Number of Common Shares Outstanding-Basic and Diluted	234,383,956	207,808,956	234,383,956	207,808,956

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

ALX Resources Corp.Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, January 1, 2022	207,808,956	\$ 22,038,146	\$ 2,542,733	\$(11,771,052)	12,809,827
Share-based compensation (Note 8)	-	-	233,190	-	233,190
Net loss for the period	-	-	-	(1,145,272)	(1,145,272)
Balance, September 30, 2022	207,808,956	\$ 22,038,146	\$ 2,775,923	\$(12,916,324)	\$ 11,897,745

	Number of Shares	Share Capital	Reserves	Deficit	Total
Balance, January 1, 2023	234,383,956	\$ 22,999,822	\$ 2,829,446	\$(13,649,978)	12,179,290
Share-based compensation (Note 8)	-	-	57,658	-	57,658
Net loss for the period	-	-	-	(788,451)	(788,451)
Balance, September 30, 2023	234,383,956	\$ 22,999,822	\$ 2,887,104	\$(14,438,429)	\$ 11,448,497

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

ALX Resources Corp.
Condensed Interim Statements of Cash Flows
For the Nine Months ended September 30,
(Expressed in Canadian Dollars)

	2023	2022
CASH FLOWS USED IN OPERATING ACTIVITIES:		
Net loss for the period	\$ (788,451)	\$ (1,145,272)
Items not involving cash:		
Deferred income tax recovery	(157,392)	(91,092)
Impairment of exploration and evaluation assets	595,860	-
Depreciation	26,277	27,245
Finance charges	2,742	6,484
Gain on sale of exploration and evaluation assets	(797,573)	(62,805)
Loss on sale of marketable securities	65,570	76,420
Share-based payments	57,658	233,190
Unrealized loss on marketable securities	343,323	168,197
Changes in non-cash operating working capital:		
Amounts receivable	30,002	41,676
Prepaid expenses	155,232	76,260
Accounts payable and accrued liabilities	(3,107)	7,422
Net cash flows (used in) operating activities	(469,859)	(662,275)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Proceeds from sale of resource property	400,000	992,700
Exploration and evaluation asset expenditures	(778,251)	(2,956,476)
Proceeds from sale of marketable securities	130,526	332,852
Net cash flows (used in) provided from investing activities	(247,725)	(1,630,924)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:		
Interest and finance charges paid	(2,742)	(6,484)
Repayment of lease liabilities	(33,242)	(29,501)
Net cash flows (used in) provided from financing activities	(35,984)	(35,985)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(753,568)	(2,329,184)
Cash and cash equivalents, beginning of period	2,033,247	4,052,887
Cash and cash equivalents, end of period	\$ 1,279,679	\$ 1,723,703
Supplemental disclosure with respect to cash flows (Note 11)		

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

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

ALX Resources Corp. (“ALX” or the “Company”) is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia. The shares of the Company are listed on the TSX Venture Exchange (“TSX-V”) under the symbol ‘AL’, on the Frankfurt Stock Exchange (“FSE”) under the symbol “6LNN” and in the United States OTC market under the symbol ‘ALXEF’. The Company is principally engaged in the acquisition, exploration, and development of mineral properties.

The head office, principal address and registered and records office of the Company are located at 408 – 1199 West Pender Street, Vancouver, BC, Canada, V6E 2R1.

2. BASIS OF PREPARATION

Statement of compliance and basis of measurement

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting.

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as fair value through profit or loss (“FVTPL”). These financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

Going concern of operations

These financial statements were prepared on a going concern basis, under the historical cost convention. The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain financing and generate positive cash flows from its operations. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof in the future. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

Approval of the financial statements

The condensed interim financial statements of ALX Resources Corp. for the nine months ended September 30, 2023 were approved and authorized for issue by the board of directors on November 22, 2023.

Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, 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. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The ability of the Company to continue as a going concern for the next fiscal year;
- assessment as to whether any impairment exists in the valuation of its assets;
- impairment of marketable securities;
- recovery of taxes and other receivables;
- the useful life and recoverability of property and equipment;
- rehabilitation provisions;
- fair value of share-based payments; and
- deferred income tax asset valuation allowances.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

3. MARKETABLE SECURITIES

The Company holds marketable securities in quoted public companies. The investments are measured at fair value using a level 1 input in the fair value hierarchy. The shares are publicly listed on the Toronto Stock Exchange or the TSX Venture Stock Exchange or the Australian Stock Exchange and published price quotes are widely available. The aggregate amount of the investments can be summarized as follows:

	September 30, 2023		December 31, 2022	
	Cost	Fair Market Value	Cost	Fair Market Value
First Mining Gold Corp.	\$ 175,000	\$ 174,981	\$ 100,000	\$ 88,977
Forrestania Resources Ltd.	600,000	179,765	-	-
Manitou Gold Inc.	-	-	19,695	4,545
Okapi Resources Limited	478,338	237,080	542,739	257,805
Pegasus Resources Inc.	-	-	12,000	5,000
Nuclear Fuels Inc.	16,520	4,625	16,520	4,543
Total	\$ 1,269,858	\$ 596,451	\$ 690,954	\$ 360,870

4. EQUIPMENT

	Right-of-use asset (Note 9)
	\$
Cost:	
Balance, December 31, 2022	175,184
Additions	-
Balance, September 30, 2023	175,184
Accumulated depreciation:	
Balance, December 31, 2022	140,148
Additions	26,277
Balance, September 30, 2023	166,425
Carrying amounts:	
Balance, December 31, 2022	35,036
Balance, September 30, 2023	8,759

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to its mineral properties, and, to the best of its knowledge, except as described below, they are properly registered and in good standing.

	Energy Metals and Gold Properties	Uranium Properties	Total
Balance, January 1, 2022	\$ 2,726,243	\$ 5,794,034	\$ 8,520,277
Additions during the year-			
Property acquisition costs			
Cash	76,038	-	76,038
Staking	93,811	-	93,811
Common shares	15,750	-	15,750
Property exploration costs			
Assays	85,462	7,325	92,787
Camp	191,719	217,703	409,422
Drilling	647,791	330,577	978,368
Field supplies and rentals	182,993	97,147	280,140
Geological and field personnel	439,644	229,374	669,018
Other	(43,914)	19,277	(24,637)
Surveying costs	530,629	353,343	883,972
Travel and accommodation	59,421	38,859	98,280
Total additions during the year	2,279,344	1,293,605	3,572,949
Proceeds received from sale or earn-in of exploration and evaluation assets	(244,874)	(1,889,049)	(2,133,923)
Impairment	(348,632)	-	(348,632)
Balance, December 31, 2022	\$ 4,412,081	\$ 5,198,590	\$ 9,610,671
Additions during the period-			
Property acquisition costs			
Cash	6,547	-	6,547
Staking	64,787	-	64,787
Property exploration costs			
Assays	43,096	30,242	73,338
Camp	33,100	282	33,382
Field supplies and rentals	98,022	6,282	104,304
Geological and field personnel	264,695	50,642	315,337
Other	(200,000)	558	(199,442)
Surveying costs	361,732	112,660	474,392
Travel and accommodation	54,347	8,721	63,068
Total additions during the period	726,326	209,387	935,713
Proceeds received from sale or earn-in of exploration and evaluation assets	(377,428)	-	(377,428)
Impairment	(540,935)	(54,926)	(595,861)
Balance September 30, 2023	\$ 4,220,044	\$ 5,353,051	\$ 9,573,095

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties

	-----Energy Metals Properties-----						-----Gold Properties-----				
	Firebird Nickel Project	Electra Nickel Project	Flying Vee Nickel Project	Hydra Lithium Project	Anchor Lithium Project	Cannon Copper	Other Staked Energy Metals Properties	Alligator Gold Project	Vixen Gold Project	Other Gold Properties	Total
Note	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Balance, January 1, 2022	\$ 1,195,369	\$ 306,345	\$ 172,537	\$ -	\$ -	\$ 93,872	\$ 369,216	\$ 369,934	\$ 126,425	\$ 92,545	\$ 2,726,243
Additions during the year --											
Property acquisition costs											
Cash	-	20,000	-	-	-	-	26,038	30,000	-	-	76,038
Staking	394	100	1,988	68,221	19,870	2,250	-	-	-	988	93,811
Common shares	-	7,000	-	-	-	-	-	8,750	-	-	15,750
Property exploration costs											
Assays	-	70,773	-	2,056	-	-	-	12,633	-	-	85,462
Camp	-	60,361	9,715	635	-	-	-	121,008	-	-	191,719
Drilling	-	234,266	-	-	-	-	-	413,525	-	-	647,791
Field supplies and rentals	910	25,383	3,668	1,951	-	-	192	150,689	-	200	182,993
Geological and field personnel	55,600	78,551	53,143	34,514	7,870	6,598	1,951	174,581	10,744	16,092	439,644
Other	5,321	369	-	-	-	369	-	(50,000)	27	-	(43,914)
Surveying costs	-	60,105	299,936	-	-	-	-	93,373	-	77,215	530,629
Travel and accommodation	-	21,005	7,518	14,581	1,590	-	-	14,727	-	-	59,421
Total additions during the year	62,225	577,913	375,968	121,958	29,330	9,217	28,181	969,286	10,771	94,495	2,279,344
Impairment of exploration and evaluation assets	-	-	-	-	-	-	(348,632)	-	-	-	(348,632)
Proceeds from earn-in of exploration and evaluation assets	(78,179)	-	-	-	-	-	-	-	(137,195)	(29,500)	(244,874)
Balance, December 31, 2022	\$ 1,179,415	\$ 884,258	\$ 548,505	\$ 121,958	\$ 29,330	\$ 103,089	\$ 48,765	\$ 1,339,220	\$ 1	\$ 157,540	\$ 4,412,081
Additions during the period --											
Property acquisition costs											
Cash	-	-	-	-	-	-	6,547	-	-	-	6,547
Staking	-	-	-	23,408	820	572	39,987	-	-	-	64,787
Property exploration costs											
Assays	-	-	-	7,834	8,885	-	-	26,377	-	-	43,096
Camp	-	-	-	32,867	-	-	233	-	-	-	33,100
Field supplies and rentals	-	10,088	-	87,583	-	-	-	351	-	-	98,022
Geological and field personnel	2,700	22,641	8,640	197,398	20,260	552	3,690	1,584	-	7,230	264,695
Other	-	(200,000)	-	-	-	-	-	-	-	-	(200,000)
Surveying costs	-	-	-	345,917	11,503	-	4,312	-	-	-	361,732
Travel and accommodation	-	-	-	48,051	6,296	-	-	-	-	-	54,347
Total additions during the period	2,700	(167,271)	8,640	743,058	47,764	1,124	54,769	28,312	-	7,230	726,326
Impairment of exploration and evaluation assets	-	-	(371,170)	-	-	-	(55,315)	-	-	(114,450)	(540,935)
Proceeds from earn-in of exploration and evaluation assets	-	-	-	(377,428)	-	-	-	-	-	-	(377,428)
Balance, September 30, 2023	\$ 1,182,115	\$ 716,987	\$ 185,975	\$ 487,588	\$ 77,094	\$ 104,213	\$ 48,219	\$ 1,367,532	\$ 1	\$ 50,320	\$ 4,220,044

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

i) Firebird Nickel

The Firebird Nickel Project (“Firebird”) is located approximately 14 kilometres northwest of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking most of the claims in May of 2019. The project is prospective for nickel, copper, and cobalt. Included within the Firebird Nickel Project are the Axis Lake, Currie Lake, and Rea Lake claims. ALX acquired a 100% interest in these claims from three separate vendors by paying a total of \$52,000 and issuing 3,950,000 common shares valued at \$133,500. The vendors each retained a 2.0% net smelter returns royalty (“NSRs”) and the Company has the right to purchase up to half of the NSRs for a total of \$5.0 million.

On August 21, 2020 (the “Effective Date”) and as amended below, ALX entered into an option agreement with Rio Tinto Exploration Canada Inc. (“Rio Tinto”) on the Company’s Firebird Nickel Project. Rio Tinto may acquire up to an 80% interest in Firebird by incurring a total of \$12.0 million in exploration expenditures over seven years and by making cash payments to ALX totaling \$150,000, as outlined in the following summary:

- Rio Tinto may acquire a 51% interest in Firebird (the “First Option”) by funding \$3.0 million in exploration expenditures within four years of the agreement date;
- Carrying out an initial exploration program of not less than \$150,000, to be completed within six months of the Effective Date (completed);
- Making a \$50,000 cash payment to ALX within 45 days of the Effective Date (received); and
- On December 1, 2022, the First Option earn-in period was amended from three to four years for cash consideration of \$25,000 (received).

Upon Rio Tinto acquiring a 51% interest in Firebird, it may elect to form a joint venture on terms established by the parties in a separate joint venture agreement, or give notice to ALX that it wishes to pursue its right to acquire up to an 80% interest (the “Second Option”). To earn an additional 29% interest in Firebird Rio Tinto must:

- Fund an additional \$9.0 million in exploration over an additional three-year period for total expenditures by Rio Tinto of \$12.0 million over seven years; and
- Make a cash payment to ALX of \$75,000 for total cash consideration of \$150,000.

ALX has acted as operator of exploration (the “Operator”) of the Project, but Rio Tinto may, at its sole discretion, appoint itself to act as Operator at any time during the First or Second Option periods. Either party while acting as Operator may charge a 10% administrative fee on exploration expenditures.

ii) Electra Nickel Project

On December 17, 2020, the Company executed an option agreement to acquire up to a 100% interest in the Electra Nickel Project located near Thunder Bay, Ontario. The TSX Venture Exchange approved the agreement on January 6, 2021 and this date is also deemed to be the “Anniversary Date” of the agreement. To earn its interest, the Company will pay a total of \$135,000 in cash, issue 1.1 million common shares, and incur \$500,000 in exploration expenditures according to the following schedule:

- A non-refundable \$3,000 cash payment paid by ALX as a pre-option payment for an exclusive 45-day period during which ALX conducted due diligence on the Project (completed);
- On the approval of TSX Venture Exchange: \$7,000 in cash (paid) and 300,000 common shares (issued and valued at \$25,500);
- On or before 1st Anniversary Date: \$15,000 in cash (paid) and 250,000 common shares (issued and valued at \$21,250), and \$100,000 in exploration expenditures (complete);
- On or before 2nd Anniversary Date: \$20,000 in cash (paid) and 200,000 common shares (issued and valued at \$7,000), and an additional \$100,000 in exploration expenditures (complete);

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

ii) Electra Nickel Project - continued

- On or before 3rd Anniversary Date: \$25,000 in cash and 150,000 common shares, and an additional \$100,000 in exploration expenditures;
- On or before 4th Anniversary Date: \$30,000 in cash and 100,000 common shares, and an additional \$100,000 in exploration expenditures;
- On or before 5th Anniversary Date: \$35,000 in cash and 100,000 common shares and an additional \$100,000 in exploration expenditures.

The property is subject to a 2.5% net smelter returns royalty (“NSR”). At any time, ALX shall have the right to purchase up to 1.5% of the NSR in three increments for \$500,000 per increment. The agreement was approved by the TSX Venture Exchange on January 6, 2021. In March 2021, the Company staked additional claims in the surrounding area.

iii) Flying Vee Nickel Project

Flying Vee is located approximately 25 kilometres north of Stony Rapids, Saskatchewan and ALX acquired a 100% interest by staking in April 2019. In June 2021, the Company staked additional claims in the surrounding area. This project is prospective for nickel, copper, and cobalt.

On September 30, 2023, the Company recorded an impairment charge of \$371,170.

iv) Hydra Lithium Project

The Hydra Lithium Project is located in the James Bay region of northern Quebec, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-cesium-tantalum (“LCT”) type pegmatites.

On May 4, 2023, the Company granted an option to Forrestania Resources Limited (“Forrestania”) to earn a 50% interest in the Company’s Hydra Lithium Project (“Hydra”). On July 7, 2023, Forrestania exercised their option to acquire a 50% interest in Hydra by paying \$400,000 in cash, and issuing \$600,000 in Forrestania common shares to ALX.

A joint venture will be formed between the parties to explore and administer Hydra, with ALX acting as operator in exchange for an industry-standard administration fee. Upon the creation of the joint venture, ALX and Forrestania will each vest with a 1.50% net smelter returns royalty.

v) Anchor Lithium Project

The Anchor Lithium Project is located in the central and western Nova Scotia, Canada and ALX has acquired a 100% interest by staking in September 2022. This project is prospective for lithium in lithium-bearing pegmatites.

vi) Cannon Copper (formerly the “Kamichisitit Claims”)

In June 2012, the Company acquired, by staking, claims located in Kamichisitit Township, situated approximately 40 kilometres north of Iron Bridge, Ontario. This project is prospective for copper.

vii) Other Staked Energy Metals Properties

On June 11, 2018, the Company entered into an agreement to acquire a 100% interest in the Tango Property, located in Northern Saskatchewan from DG Resource Management Ltd., a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$40,000 and granted a net smelter royalty (“NSR”) of 2%. Within five years of closing, the Company may purchase up to half of the NSR for \$2,000,000. The agreement was approved by the TSX Venture Exchange on August 21, 2018. During the year ended December 31, 2022, the Company recorded an impairment charge of \$214,165.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties – continued

vii) Other Staked Energy Metals Properties - continued

The Draco VMS Project is located in Grong district of Norway and ALX acquired a 100% interest by staking in May 2019. This project is prospective for copper-zinc-gold-silver. During the year ended December 31, 2022, the Company paired down these claims to the most prospective areas and recorded an impairment charge of \$134,467. On September 30, 2023, the Company recorded an additional impairment charge of \$55,314.

The Crystal Lithium Project is located in northern Saskatchewan, Canada and ALX has acquired a 100% interest by staking in February 2023. This project is prospective for lithium in lithium-cesium-tantalum (“LCT”) type pegmatites.

On March 10, 2023, the Company acquired the Reindeer Lithium Project in northern Saskatchewan by paying \$12,500 to the vendor for a 100% interest. The vendor also retains 2.0% NSR. ALX is entitled to purchase one-half of the NSR (1.0%) from the vendor at any time within five years from closing of the transaction for \$2,000,000.

viii) Alligator Gold Project

On February 18, 2021, ALX entered into an option agreement with Alligator Resources Ltd. (“Optionor”), whereby the Company may acquire up to an 80% interest in the Optionor’s Alligator Gold Project, located in Saskatchewan, by incurring a total of \$1.25 million in exploration expenditures over four years, issuing 1,500,000 common shares of the Company and by making cash payments to the Optionor totaling \$150,000, as outlined in the following summary:

- The Company has acquired a 51% interest in the Alligator property (the “First Option”) by funding \$500,000 (completed) in exploration expenditures by December 31, 2022:
 - Within 5 days of the Optionor’s acceptance of the letter agreement, the Company shall make a non-refundable \$3,000 cash payment (paid);
 - Within 5 days of the acceptance from the TSX Venture the Company shall make a \$12,000 cash payment (paid) and issue 250,000 common shares (issued and valued at \$20,000) to the Optionor;
 - On or before December 31, 2021, the Company shall make a cash payment of \$25,000 (paid) and issue an additional 250,000 common shares (issued and valued at \$20,000) of the Company; and
 - On or before December 31, 2022, the Company shall make a cash payment of \$30,000 (paid) and issue an additional 250,000 common shares (issued and valued at \$8,750) of the Company.
- Now that ALX has acquired a 51% interest in the Alligator property, it may elect to pursue its right to acquire up to an 80% interest in the project (the “Second Option”). To earn an additional 29% interest in the Alligator property the Company must:
 - On or before December 31, 2023, the Company shall make a cash payment of \$35,000 and issue an additional 250,000 common shares of the Company;
 - On or before December 31, 2024, the Company shall make a cash payment of \$45,000 and issue an additional 500,000 common shares of the Company; and
 - The Company shall incur additional expenditures of at least \$750,000 at the property.

Upon the Company earning an 80% interest in the property the Company and the Optionor shall form a joint venture with the terms to be negotiated under a separate joint venture agreement.

Two of the claims comprising the property are subject to an underlying 2.5% NSR on the sale of valuable minerals from the project. At any time, ALX shall have the right to purchase 1.25% of the NSR for US\$1,000,000.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

ix) Vixen Gold Project

On September 24, 2019, the Company entered into an agreement to acquire a 100% interest in the Vixen Gold Project, located in Red Lake Mining District of Ontario from DG Resource Management Ltd. (“DG”), a private company controlled by a director of ALX. In accordance with the purchase agreement, the Company paid \$30,605 to reimburse staking costs and agreed to an exclusive three-year geological service agreement with DG. DG retained a NSR of 2%. The Company may at any time acquire 1% of the NSR by paying \$1,500,000. The agreement was approved by the TSX Venture Exchange on October 22, 2019.

On March 24, 2021, ALX entered into a purchase agreement to acquire a 100% interest in eight claims contiguous to the Company’s Vixen Gold Project in exchange for \$2,500 (paid) and issuing 200,000 common shares (issued and valued at \$19,000) of the Company. The vendor has retained a net smelter royalty (“NSR”) of 1.5%. The Company may at any time purchase the NSR by paying \$1,500,000.

On May 7, 2021, ALX entered into a purchase agreement to acquire a 100% interest in fourteen claims and one patented claim contiguous to the Company’s Vixen Gold Project in exchange for \$40,000 (paid) and issuing 500,000 common shares (issued and valued at \$30,000) of the Company. The vendor retained an NSR of 2.5%. The Company may at any time acquire 1.25% of the NSR by paying \$1,250,000.

On September 7, 2021, ALX entered into an earn-in option agreement with First Mining Gold Corp. (“First Mining”) for all claims within ALX’s 100% owned Vixen Gold Project (“Vixen”). First Mining will have the option to earn an initial 70% interest in Vixen by paying cash and common shares totalling \$1,000,000. Upon completing the first stage of the earn-in, First Mining will hold, a 70% interest in Vixen and may acquire the remaining 30% interest in Vixen by paying cash and common shares totaling \$1 million. In summary, First Mining may acquire a 100% interest in Vixen by paying cash and common shares totalling \$2,000,000. The value and number of common shares to be issued by First Mining will be calculated using the prior day’s 20-day VWAP. Details of the agreement are as follows:

- For First Mining to acquire a 70% interest in Vixen (the “First Option”) it must:
 - On closing, pay \$250,000 in cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2022, pay \$100,000 cash and issue \$100,000 of common shares to ALX (received);
 - On or before September 15, 2023, issue \$175,000 of common shares to ALX (received);
 - On or before September 15, 2024, issue \$175,000 of common shares to ALX;
 - On or before September 15, 2025, issue \$100,000 of common shares to ALX; and
 - On or before September 15, 2025, fund and incur \$500,000 of Vixen exploration expenditures.
- Upon First Mining acquiring a 70% interest in Vixen, it may elect to acquire up to an 100% interest in Vixen within two years (the “Second Option”). To earn an additional 30% interest, First Mining must pay \$500,000 in cash and issue \$500,000 of common shares to ALX. In the event that First Mining elects not to complete the Second Option of the earn-in, ALX and First Mining will enter into a 70%-30% joint venture agreement with respect to Vixen.
- Under the agreement First Mining assumes the underlying NSR agreements. Further, the Company has been granted a 2% NSR on certain claims of which First Mining can repurchase 1% for \$1,000,000.
- On September 15, 2023, ALX and First Mining agreed to amend the First Option by increasing common share issuances to ALX by \$150,000 and eliminating \$200,000 cash payments on the anniversary dates of 2023 and 2024. ALX will also receive additional compensation during the First Option period by agreeing to a one year extension in exchange for an additional \$100,000 of First Mining common shares. The summary above has been revised to reflect these amendments.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – continued

Energy Metals and Gold Properties - continued

x) Other Gold Properties

In July and November 2020, the Company acquired by staking a 100% interest in several claim blocks prospective for gold located in Saskatchewan by staking the Sceptre Gold Project and the Hummingbird Gold Project. On September 30, 2023, the Company recorded an impairment charge of \$114,450 for these projects.

On October 5, 2021, the Company granted an option to Pegasus Resources Inc. (“Pegasus”) to acquire an interest in four claims that form part of the Hummingbird Gold Project. Pegasus can earn a 70% interest by paying \$50,000, issuing 70,000 common shares (post-consolidation), and incurring \$300,000 of exploration expenditures over three years. If Pegasus does not earn a 70% interest, the option will be terminated and ALX will retain a 100% interest. Pegasus can earn the remaining 30% interest by paying \$200,000 and issuing 50,000 common shares (post-consolidation) by the 5th anniversary of the agreement date, otherwise a joint venture would be formed. To the end of the reporting period, the Company has received \$50,000 and 25,000 common shares (post-consolidation) valued at \$12,000. (see Note 13 – Events After the Reporting Period)

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

	Gibbons Creek	Hook- Carter	Black Lake	Sabre	Bradley Lake	Javelin	McKenzie Lake	Carpenter Lake	Cluff Lake	Other Uranium Properties	Total
Note	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	(xvii)	(xviii)	(xix)	(xx)	
Balance, January 1, 2022	\$ 1,741,174	\$ 15,411	\$ 1,627,467	\$ 30,127	-	\$ 82,415	\$ 86,484	\$ 299,943	\$ 565	\$ 1,910,448	\$ 5,794,034
Additions during the year --											
Property exploration costs											
Assays	7,005	-	-	165	-	-	155	-	-	-	7,325
Camp	204,551	-	-	13,152	-	-	-	-	-	-	217,703
Drilling	330,577	-	-	-	-	-	-	-	-	-	330,577
Field supplies	93,403	-	-	2,664	-	-	-	-	568	512	97,147
Geological and field personnel	188,794	-	405	20,992	-	3,516	5,220	-	300	10,147	229,374
Other expenses	19,277	-	-	-	-	-	-	-	-	-	19,277
Surveying costs	53,100	-	-	56,200	-	149,627	69,266	-	-	25,150	353,343
Travel and accommodation	32,856	-	-	6,003	-	-	-	-	-	-	38,859
Total additions during the year	929,563	-	405	99,176	-	153,143	74,641	-	868	35,809	1,293,605
Proceeds received from earn-in of exploration and evaluation	-	-	-	-	-	-	-	-	(865)	(1,888,184)	(1,889,049)
Balance, December 31, 2022	\$ 2,670,737	\$ 15,411	\$ 1,627,872	\$ 129,303	-	\$ 235,558	\$ 161,125	\$ 299,943	\$ 568	\$ 58,073	\$ 5,198,590
Additions during the period --											
Property exploration costs											
Assays	24,471	-	-	5,771	-	-	-	-	-	-	30,242
Camp	-	-	-	-	-	-	282	-	-	-	282
Field supplies	1,647	-	-	514	-	133	873	3,115	-	-	6,282
Geological and field personnel	1,654	100	-	16,071	1,930	13,511	15,403	1,973	-	-	50,642
Other expenses	3,670	-	-	-	-	-	-	(3,112)	-	-	558
Surveying costs	-	-	-	112,660	-	-	-	-	-	-	112,660
Travel and accommodation	-	-	-	8,721	-	-	-	-	-	-	8,721
Total additions during the period	31,442	100	-	143,737	1,930	13,644	16,558	1,976	-	-	209,387
Impairment	-	-	-	-	-	-	-	-	-	(54,926)	(54,926)
Balance, September 30, 2023	\$ 2,702,179	\$ 15,511	\$ 1,627,872	\$ 273,040	\$ 1,930	\$ 249,202	\$ 177,683	\$ 301,919	\$ 568	\$ 3,147	\$ 5,353,051

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xi) Gibbons Creek Property

In 2013, the Company acquired, by staking, claims known as the Gibbon's Creek Property. Additionally, on November 27, 2013, the Company announced that it signed a joint venture agreement (the "JV Agreement") with Star Minerals Group Ltd. ("Star Minerals") granting the Company an option to acquire a 100% interest in additional claims located in the Athabasca Basin, near the Gibbons Creek Property. Under the terms of the JV agreement, the Company earned a 100% interest in the additional claims by paying \$60,000 (paid) and issuing 200,000 common shares (issued). Star Minerals will retain the option of a 25% buyback for four times the exploration monies spent by the Company to the date that the buyback option is exercised. The buyback option will be exercisable at any time up to a 90-day period following the completion and publication of a NI 43-101 compliant resource estimate.

xii) Hook-Carter Property

Prior to the definitive agreement described below, the Hook-Carter Property was 100% owned by the Company, subject to various royalties. The property was acquired mostly by staking with certain claims being acquired in 2015 by paying \$40,000 and issuing 266,667 common shares valued at \$28,000. It is located in the Patterson Lake Corridor on the southwest side of the Athabasca Basin in Saskatchewan.

On November 4, 2016, the Company completed the sale of an 80% interest in the Hook-Carter Property to Denison Mines Corp. ("Denison"). Under the terms of the agreement, the Company received 7.5 million common shares of Denison with a value of \$3.825 million in exchange for an immediate 80% interest in the property. ALX retained a 20% interest in the property and Denison has agreed to fund ALX's share of the first \$12.0 million in expenditures.

On November 4, 2019, under the terms of the definitive agreement, Denison and ALX agreed to the formation of a deemed joint venture, and that the parties will make best efforts to execute a joint venture agreement prior to Denison's funding of the first \$12 million in expenditures.

In November 2016, Denison also purchased the Coppin Lake property from Orano Canada Inc. and UEX Corporation for cash payments of \$35,000 and a 1.5% net smelter royalty. Under the terms of the Hook-Carter Property agreement, Denison and ALX have elected to have these claims form part of the Hook-Carter Property and ALX's interest in these claims will be the same as its interest in the Hook-Carter Property.

xiii) Black Lake Project

On September 5, 2017, the Company entered into option agreement with UEX Corporation ("UEX") to earn up to a 75% interest in the Black Lake Project. ALX has earned a 40% participating interest in the project by issuing 5,000,000 common shares valued at \$400,000, and incurring certain exploration expenditures. ALX's option to acquire up to 75% interest in the project has expired, but the Company retains its 40% interest in the project.

xiv) Sabre Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in Sabre Uranium Project. The claims are located in the Athabasca Basin area of Saskatchewan, Canada.

xv) Bradley Uranium Project

During the quarter ended June 30, 2023, the Company acquired by staking a 100% interest in the Bradley Uranium Project. The claim is located approximately 30 kilometres northwest of Stony Rapids, Saskatchewan, Canada.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

xvi) Javelin Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in Javelin Uranium Project. The claims are located in the eastern margin of the Athabasca Basin of Saskatchewan, Canada.

xvii) McKenzie Lake Uranium Project

During the year ended December 31, 2021, the Company acquired by staking a 100% interest in McKenzie Lake Uranium Project. The claims are located in the eastern margin of the Athabasca Basin of Saskatchewan, Canada.

On September 21, 2021, the Company entered into a purchase agreement to acquire a 100% interest in additional claims adjacent to its staked McKenzie Lake claims. The vendor will retain a 2% Net Smelter Royalty (“NSR”) on the Properties, 1% of which can be purchased by the Company for \$1,000,000. To complete the purchase, the Company paid \$7,500 and issued 250,000 common shares (valued at \$30,000). The transaction was approved by the TSX-V on October 4, 2021.

xviii) Carpenter Lake Property

On January 13, 2014, the Company entered into an option agreement with Renegade Gold Inc. (“Renegade”) to acquire a 60% interest in the Carpenter Lake property located in Northern Saskatchewan. The Company has earned its interest by paying \$60,000, issuing 200,000 common shares valued at \$93,000, and incurring at least \$1,250,000 exploration expenditure.

As of November 10, 2014, a joint venture was formed between the Company (60%) and Renegade (40%) for the further development of the property, with the Company serving as the operator. The property is subject to a royalty equal to 5% of gross revenues, which is owned by the original vendors (“Underlying Royalty”). The Underlying Royalty rate can be reduced from 5% to 2% by Renegade through the issuance of shares. On October 28, 2014, the Company was notified that Renegade exercised its right to reduce the Underlying Royalty rate from 5% to 2% by issuing 3,000,000 shares to the original property vendors.

xix) Cluff Lake Project

This property is owned 50% by the Company and 50% by Rio Tinto Ltd. The Bridle Lake Property is located adjacent to the north of the former Cluff Lake Mine area in the western portion of the Athabasca Basin in Northern Saskatchewan. (see Note 13 – Events After the Reporting Period)

xx) Other Uranium Properties

On January 28, 2022, ALX completed a sale agreement with Okapi Resources Limited (“Okapi”) where Okapi has acquired the Company’s interests in the following six uranium exploration properties: Newnham Lake, Kelic Lake, Argo, Lazy Edward Bay, Perch, and certain Cluff Lake claims. Okapi paid total consideration of \$1,933,519 (\$2.1 million Australian dollars (“AUD”)) consisting of cash payments of \$996,184 (AUD\$1,050,000), including a \$44,470 (AUD\$50,000) non-refundable deposit (received in 2021), and 3,227,790 common shares of Okapi valued at \$937,335 (AUD\$1,050,000). The common shares received from Okapi are subject to an escrow agreement with a release schedule as follows: 33% after six months, 33% after nine months, and 34% after twelve months from the closing date.

Under the agreement Okapi assumes the underlying NSR royalties. Further, the Company has been granted a 1.5% NSR on certain mineral claims that did not previously bear any existing royalties. Okapi may at any time acquire up to 50% of ALX’s NSR by paying ALX \$1,000,000.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

Staked Properties

During the year ended December 31, 2021, the company acquired by staking a 100% interest in various claims in the Athabasca Basin area of Saskatchewan, Canada. These staked claims are known as Edge, Sphere, and Vulcan. On September 30, 2023, the Company recorded an impairment charge of \$54,926.

6. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

During November 2022, the Company issued a total of 20,000,000 units on a flow-through basis at \$0.05 per unit for gross proceeds \$1,000,000 and recognized a liability for flow-through shares of \$200,000. The Company has spent \$1,000,000 of the flow-through funds and has reversed \$200,000 of the flow through liability.

At September 30, 2023, the amount of flow-through proceeds remaining to be expended is \$nil (December 31, 2022 - \$786,962) and the balance of the liability for flow-through shares is \$nil (December 31, 2022 - \$157,392).

7. SHARE CAPITAL

- a) Authorized: Unlimited number of common shares without nominal or par value.
- b) Issued: The total issued and outstanding shares of the Company at September 30, 2023 is 234,383,956 (December 31, 2022 – 234,383,956).

During the year ended December 31, 2022:

- i) During November 2022, the Company closed a non-brokered private placement consisting of 20,000,000 flow-through units (“FT Units”) at \$0.05 each and 6,125,000 non-flow-through units (“NFT Units”) at \$0.04 each for gross proceeds of \$1,245,000 (with \$200,000 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through share and one-half of one non-flow-through common share purchase warrant in the capital of the Company. Each NFT Unit consists of one common share and one-half of one non-flow-through common share purchase warrant in the capital of the Company. Each whole warrant exercisable into one common share of the Company for a period of three years from closing at an exercise price of \$0.075 per common share.

In conjunction with the private placement, the Company paid finders fees of \$56,850 and issued 1,137,000 finder fee warrants valued at \$33,045. Each warrant is exercisable into one common share of the Company at \$0.05 for a period of three years from closing.
 - ii) On December 20, 2022, issued 200,000 common shares for the Electra Nickel Project exploration and evaluation assets.
 - iii) On December 20, 2022, issued 250,000 common shares for the Alligator Gold Project exploration and evaluation assets.
- c) Warrants:

Warrant transactions and the number of warrants outstanding are summarized as follows:

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

7. SHARE CAPITAL

c) Warrants: - continued

	September 30, 2023		December 31, 2022	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	89,557,960	0.11	87,146,593	0.12
Expired	(583,870)	0.08	(11,788,133)	0.13
Issued	-	-	14,199,500	0.07
Balance, end of period/year	88,974,090	0.11	89,557,960	0.11

The following warrants were outstanding as at September 30, 2023:

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
October 2, 2023*	\$ 0.100	14,436,400	0.01
October 8, 2023	\$ 0.095	1,717,584	0.02
October 8, 2023	\$ 0.140	24,561,400	0.02
October 20, 2023*	\$ 0.100	4,783,333	0.05
June 21, 2024*	\$ 0.120	14,801,250	0.73
June 21, 2024*	\$ 0.150	2,690,000	0.73
June 25, 2024*	\$ 0.120	790,000	0.74
June 25, 2024*	\$ 0.150	250,000	0.74
December 17, 2024**	\$ 0.080	10,064,623	1.22
December 30, 2024**	\$ 0.080	680,000	1.25
November 3, 2025	\$ 0.075	8,900,000	2.10
November 3, 2025	\$ 0.050	1,005,000	2.10
November 17, 2025	\$ 0.075	3,062,500	2.13
November 21, 2025	\$ 0.075	1,100,000	2.15
November 21, 2025	\$ 0.050	132,000	2.15
Total		88,974,090	

Weight average remaining life of warrants outstanding

0.65

* The original expiry dates of these warrants were extended by 12 months

** The original expiry dates of these warrants were extended by 24 months

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

7. SHARE CAPITAL

c) Warrants: - continued

The Company applies the fair value method in accounting for its finder fee warrants using the Black-Scholes pricing model. During the period ended September 30, 2023, the Company issued nil finder fee warrants. During the year ended December 31, 2022, the Company issued a total of 1,137,000 finder fee warrants. The finder fee warrants granted resulted in share issue costs of \$33,045. The following parameters were used to value finder fee warrants:

	September 30, 2023	December 31, 2022
Expected Life	n/a	3 years
Risk-free interest rate	n/a	4.01%
Annualized volatility	n/a	130.14%
Dividend rate	n/a	n/a
Fair value of shares at grant date	n/a	\$0.03

8. SHARE-BASED PAYMENTS

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares to officers, directors, employees and consultants. The exercise price of each option is to be determined by the board of directors but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option is limited to a maximum term of ten years.

The following stock option grants were issued during the period ended September 30, 2023 and the year ended December 31, 2022:

- On June 26, 2023 the Company granted 4,800,000 stock options (2,300,000 were issued to Directors and Officers) with an exercise price of \$0.05 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.
- On January 4, 2022 the Company granted 3,350,000 stock options (2,500,000 were issued to Directors and Officers) with an exercise price of \$0.09 per common share and expiring in 5 years. These options will vest as follows: one-third four months from the grant date, one-third eight months from the grant date, and one-third twelve months from the grant date.

The following is a summary of option transactions under the Company's stock option plan for the period ended September 30, 2023 and the year ended December 31, 2022:

	September 30, 2023		December 31, 2022	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	14,300,000	\$ 0.08	13,650,000	\$ 0.08
Expired/Cancelled	-	-	(2,700,000)	0.11
Granted	4,800,000	0.05	3,350,000	0.09
Balance, end of period/year	19,100,000	\$ 0.07	14,300,000	\$ 0.08

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

8. SHARE-BASED PAYMENTS - continued

The following stock options were outstanding and exercisable as at September 30, 2023:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Exercisable	Remaining Contractual Life (Years)
June 6, 2024	\$ 0.070	3,400,000	3,400,000	0.68
January 16, 2025	\$ 0.070	2,900,000	2,900,000	1.30
September 25, 2025	\$ 0.100	1,050,000	1,050,000	1.99
February 26, 2026	\$ 0.075	3,450,000	3,450,000	2.41
March 15, 2026	\$ 0.100	150,000	150,000	2.46
January 7, 2027	\$ 0.090	3,350,000	3,350,000	3.27
June 26, 2028	\$ 0.050	4,800,000	-	4.74
Total		19,100,000	14,300,000	
Weighted average remaining life of stock options outstanding and exercisable				1.94

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the period ended September 30, 2023, the Company issued a total of 4,800,000 (September 30, 2022 – 3,350,000) incentive stock options to directors, officers, employees, and consultants of the Company. During the period ended September 30, 2023, the options issued and vested resulted in share-based payments of \$57,658 (September 30, 2022 – \$233,190).

	September 30, 2023	September 30, 2022
Expected Life	5 years	5 years
Risk-free interest rate	3.70%	1.33%
Annualized volatility	127.86%	115.04%
Dividend rate	N/A	N/A
Fair value of shares at grant date	0.02	0.07

9. COMMITMENT/LEASE LIABILITY

The Company has entered into the following agreements:

i) Office Lease

On January 1, 2019 the Company entered into a new five-year office lease. The Company is required to pay annual operating costs plus annual base rent of \$44,425 per year in the first two years and \$47,979 per year in the final three years of the lease. The Company rents out a portion of its office for one-half of the Company's monthly lease obligation. The sub-tenant is also responsible for one-half of the annual operating costs payable under the office lease. Sub-leases are included in other income on the statement of comprehensive loss.

The Company has renewed its lease by entering into a new three agreement which will be commencing on January 1, 2024. Annual base lease payments are \$47,979 in year one, \$51,553 in year two, and \$55,087 in year three. All other terms will remain the same.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

9. COMMITMENT/LEASE LIABILITY - continued

The underlying lease payments have been discounted, at the inception of the lease, using the Company's incremental borrowing rate of 12%. On January 1, 2019, the present value of future lease payments and initial recognition of the right-of-use asset totaled \$175,184 (see Note 4). Lease renewals will be disclosed in the period they commence.

Lease liability

Minimum lease payments in respect of lease liabilities and the effect of discounting are as follows:

	September 30, 2023	December 31, 2022
Undiscounted minimum lease payments:		
Less than one year	\$ 11,995	\$ 47,979
Two to five years	-	-
	11,995	47,979
Effect of discounting	(236)	(2,978)
Present value of minimum lease payments	11,759	45,001
Less current portion	(11,759)	(45,001)
Long-term portion	\$ -	\$ -

Lease liability continuity

The net change in the lease liability is as follows:

	September 30, 2023	December 31, 2022
Lease liability - beginning of year	\$ 45,001	\$ 84,937
Cash flows:		
Principal payments	(33,242)	(39,936)
Lease liability - end of period/year	\$ 11,759	\$ 45,001

During the period ended September 30, 2023, interest of \$2,742 (September 30, 2022 – \$6,484) is included in interest expense.

10. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers, vice-presidents and members of its Board of Directors.

The following compensation was awarded to key management personnel:

	Three Months Ended		Nine Months Ended	
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
Salaries and consulting fees	\$ 73,800	\$ 75,000	\$ 228,600	\$ 222,000
Share-based compensation	26,070	31,751	27,867	175,050
Key management personnel compensation	\$ 99,870	\$ 106,751	\$ 256,467	\$ 397,050

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS - continued

During the nine months ended September 30, 2023, the Company incurred consulting fees of \$1,131 (September 30, 2022 - \$305) and exploration costs of \$26,025 (September 30, 2022 - \$438,193) with Dahrouge Geological Consulting Ltd., a company controlled by Jody Dahrouge who was also a director of ALX.

Related party amounts are unsecured, non-interest bearing and due on demand. As at September 30, 2023, \$1,012 (December 31, 2022 - \$21,423) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	September 30,		September 30,
	2023		2022
Exploration and evaluation costs in accounts payable	\$ 105,231	\$	193,959
Exploration and evaluation costs in accounts receivable	\$ 3,112	\$	-
Marketable securities received for exploration and evaluation assets	\$ 775,000	\$	1,037,335

12. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

(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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(c) Foreign exchange risk

With the exception of certain investments, the Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars. The Company holds certain equity securities that are traded on the Australian Stock Exchange and quoted in Australian dollars. Fluctuations in the value of the Australian dollar can impact the fair value of Company's securities and or the value of the Australian dollars received should these securities be divested.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements
For the Nine Months ended September 30, 2023
(Expressed in Canadian Dollars)

12. FINANCIAL RISK MANAGEMENT - continued

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

There were no changes in the Company's approach to capital management during the period ended September 30, 2023 or the year ended December 31, 2022. The Company is not subject to any externally imposed capital requirements.

(f) Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at September 30, 2023 and December 31, 2022:

	As at September 30, 2023		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 1,279,679	\$ -	\$ -
Marketable securities	\$ 596,451	\$ -	\$ -
	\$ 1,876,130	\$ -	\$ -

	As at December 31, 2022		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 2,033,247	\$ -	\$ -
Marketable securities	\$ 360,870	\$ -	\$ -
	\$ 2,394,117	\$ -	\$ -

13. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the nine month period ended September 30, 2023, the Company:

- Sold its 50% interest in the Cuff Lake Project (also known as the Carswell Property) for \$250,000.
- Received 20,000 common shares from Pegasus Resources Inc. as part of the earn-in agreement for the Hummingbird Gold Project.

ALX Resources Corp.

Notes to the Condensed Interim Financial Statements

For the Nine Months ended September 30, 2023

(Expressed in Canadian Dollars)

13. EVENTS AFTER THE REPORTING PERIOD - continued

- Closed the first tranche of a private placement equity offering on November 10, 2023. The Company issued a total of 7,142,858 flow-through units for gross proceeds of \$250,000. The flow-through units were sold at a price of \$0.035 per unit, consisting of one common share and one common share purchase warrant. Each share purchase warrant entitles the holder to purchase one non-flow through common share of the Company at a price of \$0.05 for up to two years from closing. In conjunction with the private placement the Company paid finder's fees of \$13,232 and issued 378,043 finder fee warrants. Each warrant is exercisable at \$0.05 per common share of the Company for a period of two years from closing.