Consolidated Financial Statements

December 31, 2017 and 2016

(Expressed in Canadian Dollars)

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ALX Uranium Corp.,

We have audited the accompanying consolidated financial statements of ALX Uranium Corp. ("the Company"), which comprise the consolidated statements of financial position as at December 31, 2017 and 2016, and the consolidated statements of comprehensive income (loss), changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of ALX Uranium Corp. as at December 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
April 20, 2018

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

		2017		2016
Assets				
Current				
Cash	$	**1,142,521**	$	920,910
Taxes receivable		**40,512**		10,849
Other receivables		**5,640**		2,010
Marketable securities (Note 13)		**2,058,442**		3,003,792
Prepaid expenses and deposits		**385,628**		129,304
Total Current Assets		**3,632,743**		4,066,865
Marketable securities held in escrow (Note 13)		**862,500**		2,625,000
Property and equipment (Note 5)		**21,666**		27,581
Exploration and evaluation assets (Note 4)		**7,803,508**		5,891,496
Reclamation bond		**10,000**		10,000
Total Assets	$	**12,330,417**	$	12,620,942
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**239,140**	$	141,307
Liability for flow-through shares (Note 11)		**-**		48,200
Total Current Liabilities		**239,140**		189,507
Equity				
Share Capital (Note 6)		**13,709,304**		12,374,961
Share subscriptions receivable		**(150,000)**		(4,000)
Reserves (Note 7)		**1,821,559**		1,610,493
Deficit		**(3,289,586)**		(1,550,019)
Total Equity		**12,091,277**		12,431,435
Total Liabilities and Equity	$	**12,330,417**	$	12,620,942

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

Approval on behalf of the Board of Directors:

"Warren Stanyer"
Director

"Howard Haugom"
Director

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

		2017		2016
Expenses				
Accounting and audit fees	$	**26,728**	$	31,488
Administration fees		**-**		175,692
Advertising and promotion		**102,556**		195,459
Amortization		**5,915**		7,605
Consulting fees and salaries (Note 8)		**567,707**		340,451
Insurance		**17,390**		22,908
Investor relations		**8,819**		61,733
Legal fees		**85,910**		63,448
Office and general		**140,678**		96,575
Property investigation		**14,650**		-
Share-based payments (Note 7)		**311,222**		53,631
Transfer agent and filing fees		**37,287**		66,978
Travel expenses		**36,674**		22,058
Operating Expenses		**1,355,536**		1,138,026
Other Income (Expenses)				
Foreign exchange loss		**(452)**		(417)
Interest and recovery of office and general		**44,397**		45,122
Impairment of exploration and evaluation assets		**(628,885)**		(345,159)
Gain on sale of exploration and evaluation assets		**35,000**		3,452,211
Unrealized gain(loss) on marketable securities (Note 13)		**(781,495)**		1,501,707
Gain on sale of marketable securities (Note 13)		**812,704**		11,450
Part XII.6 tax		**-**		(41,471)
Income (Loss) before Income Taxes		**(1,874,267)**		3,485,417
Deferred income tax recovery (Note 11 and 14)		**134,700**		31,857
Net (Loss) Income and Comprehensive (Loss) Income for the Year	$	**(1,739,567)**	$	3,517,274
Basic and Diluted (Loss) Earnings Per Share	$	**(0.02)**	$	0.06
Weighted Average Number of Common Shares Outstanding – Basic and Diluted		**73,948,312**		58,562,900

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

	Number of Shares	Share Capital	Reserves	Share Subscription Receivable	Deficit	Total
Balance, January 1, 2016	**44,075,232**	**$ 10,814,893**	**$ 1,553,772**	**$ (20,250)**	**$ (5,067,293)**	**$ 7,281,122**
Issuance of shares for cash (Note 6)	23,102,857	1,550,835	-	(4,000)	-	1,546,835
Issuance of shares for exploration and evaluation interests (Note 4 and 6)	383,333	40,167	-	-	-	40,167
Share issuance costs	-	(30,934)	3,090	-	-	(27,844)
Share subscriptions received	-	-	-	20,250	-	20,250
Share-based compensation (Note 7)	-	-	53,631	-	-	53,631
Net income for the year	-	-	-	-	3,517,274	3,517,274
Balance, December 31, 2016	**67,561,422**	**$ 12,374,961**	**$ 1,610,493**	**$ (4,000)**	**$ (1,550,019)**	**$ 12,431,435**
Issuance of shares for cash (Note 6)	13,530,000	1,366,656	(100,156)	4,000	-	1,270,500
Share issuance costs	-	(32,313)	-	-	-	(32,313)
Share subscriptions received	-	-	-	(150,000)	-	(150,000)
Share-based compensation (Note 7)	-	-	311,222	-	-	311,222
Net loss for the year	-	-	-	-	(1,739,567)	(1,739,567)
Balance, December 31, 2017	**81,091,422**	**$ 13,709,304**	**$ 1,821,559**	**$ (150,000)**	**$ (3,289,586)**	**$ 12,091,277**

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

		2017		2016
CASH FLOWS USED IN OPERATING ACTIVITIES:				
Net income (loss) for the year:	**$**	**(1,739,567)**	$	3,517,274
Items not involving cash:				
Deferred income tax recovery		**(134,700)**		(31,857)
Impairment of exploration and evaluation assets		**628,885**		345,159
Gain on sale of exploration and evaluation assets		**(35,000)**		(3,452,211)
Amortization		**5,915**		7,605
Share-based payments		**311,222**		53,631
Unrealized loss(gain) on marketable securities		**781,495**		(1,501,707)
Gain on sale of marketable securities		**(812,704)**		(11,450)
Changes in non-cash operating working capital:				
Taxes and other receivables		**(33,293)**		92,685
Prepaid expenses		**(256,324)**		(74,486)
Accounts payable and accrued liabilities		**32,307**		(67,578)
Net cash flows used in operating activities		**(1,251,764)**		(1,122,935)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:				
Proceeds from sale of resource property		**-**		225,000
Proceeds from sale of marketable securities		**2,794,059**		28,430
Exploration and evaluation asset expenditures		**(2,495,371)**		(789,183)
Net cash flows provided from (used in) investing activities		**298,688**		(535,753)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:				
Issuance of shares for cash		**937,000**		1,630,035
Options exercised		**70,000**		-
Warrants exercised		**200,000**		-
Share issue costs		**(32,313)**		(27,844)
Net cash flows provided from financing activities		**1,174,687**		1,602,191
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**221,611**		(56,497)
Cash and cash equivalents, beginning of year		**920,910**		977,407
Cash and cash equivalents, end of year	$	**1,142,251**	$	920,910

Supplemental disclosure with respect to cash flows (Note 12)

1. NATURE OF OPERATIONS

ALX Uranium 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 Toronto Venture Exchange ("TSX-V") under the symbol 'AL', on the Frankfurt Stock Exchange ("FSE") under the symbol "6LNN". 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 consolidated statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements include the accounts of the Company and Alpha Exploration Inc. ("Alpha") and Alpha's wholly owned subsidiary, ESO Uranium (USA) Inc. All significant inter-company balances and transactions have been eliminated on consolidation. ESO Uranium (USA) Inc. was dissolved on October 17, 2017.

These consolidated financial statements have been prepared under the historical cost basis, except for financial instruments classified as available-for-sale ("AFS") and 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 consolidated 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 Uranium Corp. for the year ended December 31, 2017 were approved and authorized for issue by the Board of Directors on April 20, 2018.

Significant accounting judgments, estimates and assumptions

The preparation of these consolidated 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.

2. BASIS OF PREPARATION - continued

Significant accounting judgments, estimates and assumptions – continued

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; and
- assessment as to whether any impairment exists in the valuation of its assets;
- impairment of marketable securities;
- recovery of amounts receivable;
- the useful life and recoverability of property and equipment;
- rehabilitation provisions;
- fair value of share-based payments; and
- deferred income tax asset valuation allowances.

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 three 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, 2017 the Company had $1,014,000 in cash equivalents (2016 - $688,000).

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.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

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 a 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

i. Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss, held-to-maturity investments, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of assets at recognition.

- Financial assets at fair value through profit or loss ("FVTPL")
  Financial assets at FVTPL are initially recognized at fair value with changes in fair value recorded through profit or loss. Cash and cash equivalents and marketable securities are included in this category of financial assets.

- Held-to-maturity investments ("HTM")
  HTM investments are recognized on a trade-date basis and are initially measured at fair value, including transaction costs.

- Loans and receivables
  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost, less any impairment. Loans and receivables comprise amounts receivable excluding taxes receivable.

- Available-for-sale ("AFS") financial assets
  AFS financial assets are non-derivative financial assets that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets are recognized as other comprehensive income and classified as a component of equity.

  When applicable, management assesses the carrying value of AFS financial assets at least annually and any impairment charges are also recognized in profit or loss. When financial assets classified as available-for-sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

Financial instruments – continued

i. Financial assets- continued

- Effective interest method
  The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

  Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

- Impairment of financial assets
  Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

  Objective evidence of impairment could include the following:
  - significant financial difficulty of the issuer or counterparty;
  - default or delinquency in interest or principal payments; or
  - it has become probable that the borrower will enter bankruptcy or financial reorganization.

  For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of the estimated future cash flows, discounted at the financial asset’s original effective interest rate.

  The carrying amount of financial assets is directly reduced by the impairment loss.

  With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease relates to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss. On the date of impairment reversal, the carrying amount of the financial asset cannot exceed its amortized cost had impairment not been recognized.

ii. Financial liabilities

The Company classifies its financial liabilities in the following categories: borrowings and other financial liabilities and derivative financial liabilities.

- Borrowings and other financial liabilities
  Borrowings and other financial liabilities are non-derivative financial liabilities and are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the statement of comprehensive loss over the period to maturity using the effective interest method.

  Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

ii. Financial liabilities - continued

- Derivative Financial liabilities
  Derivative financial liabilities are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit and loss. Derivative financial liabilities include warrants issued by the Company denominated in a currency other than the Company's functional currency. The Company does not have any such warrants that are denominated in a currency other than the Company's functional currency.

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 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.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

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.

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.

3. SIGNIFICANT ACCOUNTING POLICIES - continued

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, 2017 and 2016, the Company has no restoration and environmental obligations.

New accounting standards issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee ("IFRIC") but not yet effective as at December 31, 2017. The Company intends to adopt these standards and interpretations when they become effective. The Company does not expect these standards to have an impact on its financial statements. Pronouncements that are not applicable to the Company have been excluded from those described below.

The following standards or amendments are effective for annual periods beginning on or after January 1, 2018:

- IAS 15, *Revenue from Contracts with Customers (effective on or after January 1, 2018)*
- IFRS 9, *Financial Instruments (effective on or after January 1, 2018)*
- IFRS 16, *Leases (effective on or after January 1, 2019)*

(Expressed in Canadian Dollars)

4. 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.

	Uranium Properties	Other Properties	Total
Balance, January 1, 2016	$ 6,196,354	$ 366,095	$ 6,562,449
Additions during the year –			
Property acquisition costs			
Cash	47,500	744	48,244
Shares issued	40,167	-	40,167
Exchange of property	100,677	-	100,677
Property exploration costs			
Assays	69,398	-	69,398
Camp	3,692	-	3,692
Field supplies and rentals	4,324	2,176	6,500
Geological and field personnel	121,554	1,329	122,883
Other	(19,234)	-	(19,234)
Surveying costs	160,955	-	160,955
Travel and accommodation	23,890	-	23,890
Total additions during the year	552,923	4,249	557,172
Impairment of exploration and evaluation assets	(201,446)	(143,713)	(345,159)
Sale of exploration and evaluation assets	-	(100,677)	(100,677)
Proceeds received	(730,122)	(52,167)	(782,289)
Balance, December 31, 2016	$ 5,817,709	$ 73,787	$ 5,891,496
Additions during the period –			
Property acquisition costs			
Cash	35,000	-	35,000
Staking	56,299	-	56,299
Property exploration costs			
Assays	95,385	-	95,385
Camp	135,034	-	135,034
Drilling	555,746	-	555,746
Field supplies and rentals	177,809	-	177,809
Geological and field personnel	291,813	4,176	295,989
Other	(25,227)	-	(25,227)
Surveying costs	1,063,159	-	1,063,159
Travel and accommodation	171,703	-	171,703
Total additions during the year	2,556,721	4,176	2,560,897
Impairment of exploration and evaluation assets	(628,885)	-	(628,885)
Proceeds received	-	(20,000)	(20,000)
Balance, December 31, 2017	$ 7,745,545	$ 57,963	$ 7,803,508

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

	Gibbons Creek	Kelic Lake	Lazy Edward	South Pine/Perch	Newnham Lake	Carpenter Lake	Hook-Carter	Cliff Lake	Key Lake Road	Black Lake	Other Uranium Properties	Total
Note	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	
Balance, January 1, 2016	$ 1,479,727	$ 1,659,716	$ 245,285	$ 235,303	$ 461,310	$ 299,404	$ 614,949	$ 947,655	$ 72,166	$ -	$ 180,839	$6,196,354
Additions during the year –												
Property acquisition costs												
Cash	-	-	-	10,000	37,500	-	-	-	-	-	-	47,500
Shares for property	-	-	-	12,667	-	-	-	-	-	-	27,500	40,167
Exchange of property	-	-	-	-	-	-	-	-	-	-	100,677	100,677
Property exploration costs												
Assays	12,623	1,558	55,217	-	-	-	-	-	-	-	-	69,398
Camp	-	51	3,641	-	-	-	-	-	-	-	-	3,692
Field supplies and rentals	(241)	4,471	-	-	-	-	-	-	94	-	-	4,324
Geological and field personnel	5,022	4,444	21,969	2,024	44,596	268	29,172	8,497	1,043	-	4,519	121,554
Other expenses	-	18,445	-	-	-	-	(18,048)	253	(37,233)	-	17,349	(19,234)
Surveying costs	-	-	-	25,550	-	-	90,300	45,105	-	-	-	160,955
Travel and accommodation	1,674	-	-	22,216	-	-	-	-	-	-	-	23,890
Total additions during the year	19,078	28,969	80,827	72,457	82,096	268	101,424	53,855	(36,096)	-	150,045	552,923
Proceeds	-	-	-	-	-	-	(716,372)	-	-	-	(13,750)	(730,122)
Impairment	-	-	-	-	-	-	-	-	-	-	(201,446)	(201,446)
Balance, December 31, 2016	$ 1,498,805	$ 1,688,685	$ 326,112	$ 307,760	$ 543,406	$ 299,672	$ 1	$ 1,001,510	$ 36,070	$ -	$ 115,688	$5,817,709
Additions during the year –												
Property acquisition costs												
Cash	-	-	-	10,000	-	-	-	-	-	25,000	-	35,000
Staking	-	-	13,377	-	-	-	-	-	2,507	-	40,415	56,299
Property exploration costs												
Assays	-	-	-	-	18,267	-	-	20,824	-	56,294	-	95,385
Camp	-	-	-	-	2,412	-	-	88,394	-	44,228	-	135,034
Drilling	-	-	-	-	-	-	-	228,098	-	327,648	-	555,746
Field supplies and rentals	-	1,120	-	-	57,001	-	-	30,269	-	89,419	-	177,809
Geological and field personnel	5,406	12,737	4,399	1	71,790	68	1,421	31,355	176	162,462	1,998	291,813
Other expenses	-	-	-	-	-	-	-	-	-	-	(25,227)	(25,227)
Surveying costs	55,386	-	74,999	-	669,867	-	-	-	-	257,171	5,736	1,063,159
Travel and accommodation	464	-	-	-	89,597	-	-	8,249	-	73,393	-	171,703
Total additions during the year	61,256	13,857	92,775	10,001	908,934	68	1,421	407,189	2,683	1,035,615	22,922	2,556,721
Impairment	-	-	-	-	-	-	-	(521,633)	(38,752)	-	(68,500)	(628,885)
Balance, December 31, 2017	$1,560,061	$1,702,542	$418,887	$ 317,761	$ 1,452,340	$ 299,740	$ 1,422	$ 887,066	$ 1	$ 1,035,615	$ 70,110	$7,745,545

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

i) Gibbon's Creek Property

In 2013, the Company acquired, by staking, five 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 two claims located in the Athabasca Basin, near the Gibbons Creek Property. Under the terms of the JV agreement, the Company has the right to earn a 100% interest in the two claims by making cash payments totalling $60,000 (paid) and issuing 200,000 common shares (issued) over a 12 month period. 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. The transaction was approved by the TSX-V on November 28, 2013. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

ii) 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 this interest, the Company has agreed on the following:

- Cash consideration of $80,000 (paid),
- Issuance of 500,000 common shares (issued), and
- Incur exploration expenditures totalling $750,000 on the Property (incurred).

The optionors shall retain a 2.5% royalty on production from the property, which can be reduced to a 1.5% royalty by payment of $1,500,000 to the optionors at any time prior to commencement of commercial production.

iii) Lazy Edward Bay Property

On April 11, 2013, the Company announced it had acquired ten mineral claims, by staking, in the Athabasca Basin region of northern Saskatchewan, known as the Lazy Edward Bay Property.

On April 24, 2014, the Company announced that it entered into a purchase agreement to acquire a 100% interest in three claims, formerly known as the Arbour Property, located adjacent to its previously staked Lazy Edward Bay Uranium Property in the southern Athabasca Basin, Saskatchewan. Under the terms of the agreement, the Company has the right to earn a 100% interest in the claims by making a cash payment totalling $5,000 (paid) and issuing 83,333 common shares (issued with a fair value of $42,500). The transaction was approved by the TSX-V on April 28, 2014. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

On November 15, 2017 the Company acquired, by staking, 17 additional Lazy Edward Claims, bringing the property to 36 mineral claims, covering 21,915 hectares.

iv) 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 by making cash payments totalling $70,000 (paid) and issuing 500,000 common shares (issued) over a 36 month period. 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 will also be entitled to annual advanced royalty payments of $10,000 which will commence after the Company has earned its interest. The transaction was accepted by the TSX-V on June 11, 2013.

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

v) 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. Under the terms of the agreement, the Company has the right to earn a 100% interest in the property by making cash payments totalling $100,000 (paid) and issuing 833,333 common shares (issued). The transaction was approved by the TSX-V on July 22, 2014.

On August 21, 2014, the Company entered into a purchase agreement with Kalt Industries Ltd. and DG Resource Management Ltd., for the acquisition of the 1333 Property, located near the Company's Newnham Lake Property, for total consideration of $50,000 cash (paid) and 250,000 common shares (issued) of the Company. The Company commits to expend not less than $1,000,000 in exploration expenditures on or before August 28, 2019, of which $50,000 must be spent in year one. The property is subject to a 3% GORR, to which the Company may purchase up to a 1% for $1,000,000 up to August 28, 2019. The transaction was approved by the TSX-V on August 28, 2014.

On August 21, 2014, the Company entered into an option agreement to acquire three mineral claims from Anstag Mining Inc., for total consideration of up to $50,000 cash (paid) and 333,333 common shares (issued). In addition, the Company commits to incur $1,500,000 in exploration expenditures on or before 5 years from the Exchange approval date. 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. The transaction was approved by the TSX-V on August 28, 2014.

vi) Carpenter Lake Property

On January 13, 2014, the Company entered into an option agreement with Noka Resources Inc. ("Noka") to acquire a 60% interest in the Carpenter Lake property located in Northern Saskatchewan. To earn this interest, the Company has agreed on the following:

- Cash consideration of $50,000 (paid)
- Issuance of 200,000 common shares (issued)
- Incur exploration expenditures totalling $1,250,000 on the Property (completed)

As of November 10, 2014, the Company completed the option and a joint venture was formed between the Company (60%) and Noka (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 Noka through the issuance of shares. On October 28, 2014, the Company was notified that Noka exercised its right to reduce the Underlying Royalty rate from 5% to 2% by issuing 3,000,000 shares to the original property vendors. During the year ended December 31, 2015, the Company returned four claims to Noka.

vii) Hook-Carter Property

On May 27, 2015, the Company entered into an option agreement to acquire twenty eight mineral claims from Eagle Plains Resources Limited ("EPL") for total consideration of $40,000 cash (paid) and 266,667 common shares (issued). The Company acquired, by staking, ten mineral claims which, when added to the original four claims that were staked, bring the total number of claims at Carter Lake to 38 claims. All thirty eight claims are subject to a 2% Net Smelter Royalty ("NSR") payable to EPL. The Company may, at any time, purchase 1% of the NSR for $1,000,000. The transaction was approved by the TSX-V on June 8, 2015.

On May 27, 2015, the Company entered into an option agreement to acquire twenty eight mineral claims from Eagle Plains Resources Limited ("EPL") for total consideration of $40,000 cash (paid) and 266,667 common shares (issued). The Company acquired, by staking, ten mineral claims which, when added to the original four claims that were staked, bring the total number of claims at Carter Lake to 38 claims. All thirty eight claims are subject to a 2% Net Smelter

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

vii) Hook-Carter Property - continued

Royalty ("NSR") payable to EPL. The Company may, at any time, purchase 1% of the NSR for $1,000,000. The transaction was approved by the TSX-V on June 8, 2015.

The Hook Lake property was acquired by Alpha and is 100% owned by the Company, subject to royalties. The Hook Lake property consists of four mineral dispositions totaling 13,210 hectares. There is a 2.5% gross overriding royalty. The Company has a right to purchase 1% of the royalty for $1,000,000 prior to the commencement of commercial production.

On February 5, 2016, the Company entered into a purchase and sale agreement with Cameco Corporation ("Cameco"). The sale includes 27 mineral claims peripheral to, and along the margins of, the Company's Hook-Carter Property in the southwestern Athabasca Basin. The Company received a cash payment of $170,000 for the claims. Certain of the claims are subject to a 1% net refining returns royalty ("NRR"), subject to a reduction of 0.25% at any time upon payment of $750,000 and a 2% NRR subject to a reduction to 1% at any time upon payment of $500,000 to the Company.

On November 4, 2016, the Company completed the sale of an 80% interest in the Hook-Carter Property, located in the southwestern portion of the Athabasca Basin region in northern Saskatchewan, to Denison Mines Corp. ("Denison"). Under the terms of the agreement, the Company received 7,500,000 common shares with a value of $3,825,000 in exchange for an immediate 80% interest in the property. ALX will retain a 20% interest in the property and Denison has agreed to fund ALX's share of the first $12,000,000 in expenditures. Denison has also agreed to a work commitment of $3,000,000 over 3 years – should Denison not meet this commitment, Denison's interest in the property will decrease from 80% to 75% and ALX's interest will increase from 20% to 25%. Thirty-six months after the effective date of the Agreement, the parties agree to form a joint venture, in which all material decisions shall be carried by a vote representing a 51% ownership interest. The Denison common shares issued to the Company are subject to an escrow arrangement, whereby one-sixth of the shares were received on the closing date, November 4, 2016, and a further one-sixth of the shares will be released from escrow in six month increments following the closing date. As at December 31, 2017, 3,750,000 (2016 - 6,250,000) Denison shares remain in escrow. The amount of escrow shares not available to the Company in the next 12 months is 1,250,000 (2016 – 3,750,000).

In November 2016, Denison also purchased the Coppin Lake property from Areva Resources Canada 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.

viii) 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 property comprises of one mineral disposition totaling 2,416 hectares and is about 630 kilometres north-northwest from Prince Albert, 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.

4. EXPLORATION AND EVALUATION ASSETS – continued

Uranium Properties – continued

Gorilla Lake Property (formerly Cluff Lake (Logan) Project)

The Gorilla Lake project comprises two mineral dispositions totaling approximately 7,552 hectares and is held 80% by the Company and 20% by Logan Resources Ltd. ("Logan"). The Company shall produce a bankable feasibility study with Logan having a carried interest until the feasibility study is delivered, at which time Logan 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 any of the claims to Logan upon a decision by the Company to terminate work thereon.

During the year ended December 31, 2017, the Company impaired these claims valued at $521,633.

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 (Rio Tinto) is located adjacent to the north of the former Cluff Lake Mine area in the western portion of the Athabasca Basin in Northern Saskatchewan. The Bridle Lake Property (Rio Tinto) comprises two mineral dispositions.

ix) Key Lake Road Properties

During the year ended December 31, 2015, the Company acquired, by staking, the Key Lake Claims in the Athabasca Basin region, Saskatchewan. The Key Lake Road Properties is comprised of 15 mineral claims.

During the year ended December 31, 2017, the Company impaired these claims valued at $38,752.

x) Black Lake Properties

On July 31, 2017, the Company announced it had signed a binding interim letter agreement with UEX Corporation ("UEX") which was replaced with a definitive option agreement on September 5, 2017, the "Effective Date". The Company can earn up to a 75% participating interest from UEX in the Black Lake Property by making payments to UEX of 12 million common shares and a total of $6.0 million of exploration expenditures over the next 4 years, as follows:

- ALX can earn a 40% participating interest in the property by issuing to UEX 5,000,000 common shares after incurring $1,000,000 in exploration expenditures within 12 months of the Effective Date, including ALX's exploration expenditures starting from the letter agreement date;
- ALX can earn an additional 11% interest for a total of 51% participating interest in the property by issuing to UEX 4,000,000 common shares after incurring an additional $2,000,000 in exploration expenditures within 30 months of the Effective Date;
- ALX can earn an additional 24% interest for a total of 75% interest in the property by issuing to UEX 3,000,000 common shares after incurring an additional $3,000,000 in exploration expenditures within 48 months of the Effective Date.

The Company paid $25,000 to UEX as consideration for entering into the binding interim letter agreement.

ALX may accelerate any of the share payments or exploration expenditures listed above and upon making such payments or expenditures, will earn the interest as set out above.

At any time, ALX may provide UEX with notice that it does not wish to incur additional exploration expenses or to earn a further ownership interest in the property. Upon such occurrence, ALX will lose any rights it had with respect to earning any additional ownership interest in the property and shall have no further obligations, other than as set out in the definitive agreement.

4. EXPLORATION AND EVALUATION ASSETS – continued

Uranium Properties – continued

x) Black Lake Properties - continued

Black Lake is currently the subject of a joint venture, in which UEX Corporation holds a 90.92% interest in the property, with Orano Canada Inc. (formerly AREVA Resources Canada Inc.) holding the remaining 9.08% interest.

xi) Other Uranium Properties

Fond du Lac Property Option

On June 25, 2014, the Company announced that it entered into an option agreement to acquire a 100% interest in one claim located in the northern Athabasca Basin region, Saskatchewan. The Company has earned a 100% interest in the claims by issuing 66,667 common shares.

During the year ended December 31, 2016, the Company impaired these claims valued at $100,769.

Hatchet Lake Property

On July 21, 2014, the Company announced that it entered into a purchase agreement to acquire a 100% interest in the Hatchet Lake Property. The property is located east of the Company's Fond du Lac Property. Under the terms of the agreement, the Company has the right to earn a 100% interest in the property by making a cash payment totalling $13,500 (paid) and issuing 166,667 common shares (issued). The transaction was approved by the TSX-V on July 22, 2014. The Company has satisfied the terms of the agreement and earned its interest in the property.

During the year ended December 31, 2017, the Company impaired these claims valued at $68,500.

North and South Carter Corridor Properties

On April 13, 2016, the Company entered into two agreements with Ryan Kalt ("Vendor"), to acquire a 100% right, title and interest in and to mineral claims in North and South Carter Corridor Properties. In consideration, the Company issued an aggregate of 250,000 common shares valued at $27,500. The Properties are each subject to a 2.5% net smelter return royalty payable by the Company to the Vendor, calculated on a quarterly basis.

The South Carter Corridor Properties form part of the Hook-Carter Properties sold to Denison on November 4, 2016.

Eagle Plains Properties

On June 1, 2016, the Company entered into an agreement with Eagle Plains Resources Ltd. ("Eagle Plains"), to acquire a 100% right, title and interest in and to 70 mineral claims in the Athabasca Basin. In consideration, the Company transferred its 100% interest in the Donna Property. The Properties are each subject to a 2% net smelter return royalty payable by the Company to the Vendor. The Company can reduce the NSR to 1% by making a one-time payment of $1,000,000. During the year ended December 31, 2016, the Company impaired these claims valued at $100,677.

Staked Properties

On November 15, 2017 the Company announced that it had staked 36 new claims totalling approximately 48,457 hectares in the Athabasca Basin area of Saskatchewan, Canada. The Company paid $40,415 to acquire these new claims.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties

	Other properties					
	Camlaren Gold	**Kamichisitit Claims**	**Midas Gold**	**Donna Project**	**Mikwam Project**	**Total**
Note	(xii)	(xiii)	(xiv)	(xv)	(xvi)	
Balance, January 1, 2016	$8,712	$134,259	$107,898	$100,226	$15,000	$366,095
Additions during the year –						
Property acquisition costs						
Cash	-	742	-	-	-	742
Property exploration costs						
Field supplies and rentals	-	-	-	451	1,725	2,176
Geological	-	-	389	-	942	1,331
Total additions during the year	-	742	389	451	2,667	4,249
Impairment	(8,712)	(135,001)	-	-	-	(143,713)
Sale of property	-	-	-	(100,677)	-	(100,677)
Proceeds received	-	-	(34,500)	-	(17,667)	(52,167)
Balance, December 31, 2016	$ -	$ -	$73,787	$ -	$ -	$73,787
Additions during the year –						
Property exploration costs						
Geological	-	4,013	163	-	-	4,176
Total additions during the year	-	4,013	163	-	-	4,176
Proceeds received	-	-	(20,000)	-	-	(20,000)
Balance, December 31, 2017	$ -	$ 4,013	$53,950	$ -	$ -	$57,963

xii) Camlaren Gold Property, Northwest Territories

On August 12, 2010, the Company completed the acquisition of the Camlaren Gold Property, located in the Northwest Territories, from Pasinex Resources Corp. (“Pasinex”), a CSE listed company. Pursuant to the terms of the Acquisition Agreement, the Company acquired a 100% interest in and to the Camlaren Gold Property in consideration for the issuance of 1,000,000 common shares (issued). The acquisition of the Camlaren Gold Property constituted the Company’s Qualifying Transaction, as that term is defined in the TSX-V policies. During the year ended December 31, 2015 and 2016, the Company impaired this property by $300,000 and $8,712, respectively.

xiii) Kamichisitit Claims

In June 2012, the Company acquired, by staking, two claims located in Kamichisitit Township, situated approximately 40 kilometres north of Iron Bridge, Ontario. In June 2014, the Company staked additional claims in the surrounding area. During the year ended December 31, 2016, the Company impaired these claims valued at $135,003.

xiv) Midas Gold Property

On December 22, 2010, the Company entered into an option to purchase a 100% interest in and to the Midas Gold Property (“Midas”), located in Ontario, Canada. The Company paid the vendors total cash consideration of $95,000 and issued 150,000 common shares. The agreement was accepted by the TSX-V on April 8, 2011. The Company incurred a total of $125,000 in exploration expenditures on the Property in the first twelve months following TSX-V acceptance of the agreement. The Vendors will retain a 2% NSR on the Property; 1% of which can be purchased by the Company for $1,000,000. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

4. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties - continued

xiv) Midas Gold Property - continued

On October 24, 2016, the Company entered into an option agreement with Miramont Capital Corp. ("Miramont") whereby the Company granted Miramont the option to acquire a 100% interest in the Midas Gold Property by issuing 1,000,000 shares and paying $200,000 in staged payments on or before December 31, 2018. To date the Company has received payments totalling $30,000 plus 100,000 shares of Miramont valued at $20,000. The property is subject to a 2% NSR to the underlying optionors.

On November 30, 2017, the Company received notice of termination of the Midas Gold Property option with Miramont.

xv) Donna Property

The Donna Property is located in the Vernon Mining Division in south-central British Columbia, and is approximately 60 km east to southeast of Vernon, British Columbia. The Donna Property consists of seven mineral tenures and total approximately 2,299 hectares.

The Company acquired a 100% interest in the claims comprising the Donna Property in April 2013, purchasing them from the vendor for $50,000 by amendment of the original option agreement leaving the original owners with a 2% NSR on minerals extracted from the Donna Property.

On June 1, 2016, the Company entered into an agreement with Eagle Plains Resources Ltd. ("Eagle Plains"), whereby Eagle Plains acquired a 100% right, title and interest in and to 7 mineral claims in the Donna Property. In consideration, the Company received from Eagle Plains 70 claims in the Athabasca Basin in exchange for its 100% interest in the Donna Property.

xvi) Mikwam Property

The Mikwam gold property is 100% owned, subject to royalties, consisting of nine contiguous claims covering 944 hectares located in the Noseworthy Township, Ontario, along the western extension of the Casa Berardi Deformation, an area of historical gold mineralization and production. The following encumbrances were included in the original agreement and remain in effect:

- 0.804% Net Smelter Royalty ("NSR") payable to Newmont Canada Limited ("Newmont") and Freewest Resources Canada Inc. ("Freewest");
- 15% net profits royalty that may become payable to Newmont (or a successor) in respect of its share of net profits from certain mining claims;
- 15% net profits interest that may become payable to Golden Shield Resources Limited in respect of certain mining claims; andsecurity granted against the Claims in respect of an additional cash payment due to Newmont and Freewest in the event of a decision to develop a commercial mining operation on or with respect to the Claims, pursuant to conditional payment notes and collateral security agreements issued in favor of each of Newmont and Freewest. On November 29, 2016, the Company entered into an option agreement with Aurelius Minerals Inc. ("Aurelius")(formerly Galena International Resources Ltd.) in settlement of ALX's and Aurelius' dispute with respect to the acquisition of the Mikwam property.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

<u>Other Properties</u> – continued

xvi) Mikwam Property - continued

Pursuant to the terms of the option agreement, Aurelius can acquire a 100% interest (subject to certain royalty interests and encumbrances) in the Mikwam property in consideration of making aggregate cash and share payments to ALX over a period of three years as follows:

- $25,000 and issue 2,000,000 common shares valued at $180,000 on closing of the transaction (received);
- $50,000 or, at Aurelius' election, issue 500,000 common shares on or before the first anniversary of the Option(500,000 shares valued at $35,000 were received on November 27, 2017);
- $75,000 or, at Aurelius ' election, issue 750,000 common shares on or before the second anniversary of the Option Agreement; and
- $100,000 or, at Aurelius' election, issue 750,000 common shares on or before the third anniversary of the Option Agreement.

In addition, Aurelius will grant ALX a net smelter returns royalty (the "NSR Royalty") equal to 0.5% of Net Smelter Returns from the Mikwam property. Galena shall have the right, at any time, to acquire the NSR Royalty from ALX in consideration of a cash payment of CAD $1,000,000.

5. EQUIPMENT

	Computer equipment $	**Field equipment $**	**Office equipment $**	**Total $**
Cost:				
Balance, December 31 2017 and 2016	6,183	16,640	14,536	37,359
Accumulated depreciation:				
Balance, December 31, 2016	2,203	4,043	3,532	9,778
Additions	1,194	2,520	2,201	5,915
Balance, December 31, 2017	3,397	6,563	5,733	15,693
Carrying amounts:				
Balance, December 31, 2016	**3,980**	**12,597**	**11,004**	**27,581**
Balance, December 31, 2017	**2,786**	**10,077**	**8,803**	**21,666**

6. 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, 2017 is 81,091,422 (December 31, 2016: 67,561,422).

During the year ended December 31, 2017:

i) Exercised 2,000,000 warrants at $0.10 each for total proceeds of $200,000.

ii) Exercised 700,000 options at $0.10 each for total proceeds of $70,000.

iii) On July 21, 2017, the Company closed a non-brokered private placement, consisting of 8,650,000 FT Units for gross proceeds of $865,000 (with $86,500 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through common share and one non flow-through common share purchase warrant in the capital of the Company. Each warrant is exercisable into one common share of the Company for a period of three years from closing at an exercise price of $0.125 per common share.

iv) On December 29, 2017, the Company closed a non-brokered private placement, consisting of 2,180,000 FT Units for gross proceeds of $218,000 (with $nil being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through common share and one non flow-through common share purchase warrant in the capital of the Company. Each warrant 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.

During the year ended December 31, 2016:

i) On January 29, 2016, the Company closed the second tranche of its non-brokered private placement, consisting of 4,195,000 Units at $0.05 per Unit for gross proceeds of $209,750. Each Unit consists of one common share and one share purchase warrant. Each share purchase warrant is exercisable into one common share of the Company for a period of 24 months from closing at a price of $0.10 per common share. The Company paid total finders fees of $10,080 and issued 17,600 finders' warrants exercisable at $0.10 per share for a period of 24 months from closing.

ii) On March 15, 2016, the Company closed the first tranche of its private placement with Holystone, by issuing 5,300,000 common shares at a price of $0.06 per share for gross proceeds of $318,000.

iii) On April 27, 2016, the Company issued 250,000 common shares with a fair value of $27,500 in accordance with the acquisition agreement for the North and South Carter Corridor Properties.

iv) On May 16, 2016, the Company closed the first tranche of its non-brokered private placement, consisting of 300,000 FT Units and 2,175,000 Units, for gross proceeds of $255,000 (with $9,000 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through common share and one half of one non flow-through common share purchase warrant in the capital of the Company. Each Unit consists of one common share and one Warrant. Each whole Warrant is exercisable into one common share of the Company for a period of 18 months from closing at an exercise price of $0.20 per common share. The Company paid finders fees of $5,688 and issued 52,500 agent's warrants exercisable at $0.20 per share for a period of 18 months from closing.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL - continued

v) On June 16, 2016, 642,857 share purchase warrants priced at $0.10 were exercised for gross proceeds of $64,286.

vi) On June 23, 2016, the Company closed the second tranche of its non-brokered private placement, consisting of 230,000 FT Units and 650,000 Units, for gross proceeds of $93,750 (with $5,750 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through common share and one half of one non flow-through common share purchase warrant in the capital of the Company. Each Unit consists of one common share and one Warrant. Each whole Warrant is exercisable into one common share of the Company for a period of 18 months from closing at an exercise price of $0.20 per common share. The Company paid finders fees of $700 and issued 7,000 agent's warrants exercisable at $0.20 per share for a period of 18 months from closing.

vii) On June 23, 2016, the Company closed the second tranche of its private placement with Holystone, by issuing 7,200,000 common shares at a price of $0.06 per share for gross proceeds of $432,000. See Note 11.

viii) On June 27, 2016, the Company issued 133,333 common shares with a fair value of $12,667 in accordance with the acquisition agreement of the South Pine Property.

ix) On December 30, 2016, the Company closed a non-brokered private placement, consisting of 2,410,000 FT Units for gross proceeds of $241,000 (with $9,000 being recognized as a liability for flow-through shares). Each FT Unit consists of one flow-through common share and one non flow-through common share purchase warrant in the capital of the Company. Each warrant is exercisable into one common share of the Company for a period of 24 months from closing at an exercise price of $0.15 per common share.

c) Warrants:

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

	December 31, 2017		December 31, 2016	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of year	10,707,457	$ 0.14	10,371,345	$ 0.53
Expired	(494,857)	0.11	(8,793,131)	0.32
Exercised	(2,000,000)	0.10	(642,857)	0.10
Issued	10,830,000	0.13	9,772,100	0.14
Balance, end of year	19,042,600	$ 0.14	10,707,457	$ 0.14

(Expressed in Canadian Dollars)

6. SHARE CAPITAL - continued

The following warrants were outstanding as at December 31, 2017:

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
January 29, 2018**	$ 0.10	2,712,600	0.08
May16, 2019*	$ 0.20	2,325,000	1.37
June 23, 2019*	$ 0.20	765,000	1.48
December 30, 2018	$ 0.15	2,410,000	1.00
December 29, 2019	$ 0.15	2,180,000	1.99
July 21, 2020	$ 0.125	8,650,000	2.56
Total		19,042,600	
Weighted average remaining life of warrants outstanding			1.75

*The original expiry dates of these warrants were extended by 18 months
**Subsequently expired unexercised

The Company applies the fair value method in accounting for its agent's options using the Black-Scholes pricing model. During the year ended December 31, 2017, the Company issued a total of nil (2016 – 77,100) agent warrants. During the year ended December 31, 2017, the agent's warrants granted resulted in share issue costs of $nil (2016 - $3,090).

	December 31, 2017	December 31, 2016
Expected life	N/A	1.5-2 years
Risk-free interest rate	N/A	0.42-0.62%
Annualized volatility	N/A	131-136%
Dividend rate	N/A	N/A
Fair value of shares at grant date	N/A	$0.03-0.04

7. 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 should be for a maximum term of ten years.

The following stock option grants were issued during the years ended December 31, 2017 and 2016:

- On March 15, 2016, granted 150,000 stock options at $0.10, expiring in 10 years to an Advisor to the Board of Directors.
- On July 22, 2016, the Company granted 1,275,000 stock options (900,000 were issued to Directors and Officers) with an exercise price of $0.10 and expiring in 5 years. These options will vest as follows: one-third immediately, one-third one year from the grant date, and one-third two years from the grant date.
- On November 8, 2016, the Company granted 400,000 stock options (350,000 were issued to Directors and Officers) with an exercise price of $0.10 and in two tranches. In the first tranche, 250,000 options vest 25% at grant and 25% every six months and expire in 10 years. In the second tranche, 150,000 options vest 50% immediately and 50% six months from the grant date and expire in 5 years.

(Expressed in Canadian Dollars)

7. SHARE-BASED PAYMENTS – continued

- On January 16, 2017, the Company granted 1,275,000 stock options (1,150,000 were issued to Directors and Officers) with an exercise price of $0.135 and expiring in 5 years. These options will vest as follows: one-third immediately, one-third six months from the grant date, and one-third twelve months from the grant date.

- On May 12, 2017 and June 19, 2017, the Company granted 400,000 stock options for a total of 800,000 stock options for new Directors. The options have an exercise price $0.10 and expiring in 5 years. These options will vest as follows: one-third immediately, one-third six months from the grant date, and one-third twelve months from the grant date.

- On August 17, 2017, the Company granted 1,175,000 stock options (775,000 were issued to Directors and Officers) with an exercise price of $0.10 and expiring in 5 years. These options will vest as follows: one-third immediately, one-third six 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 years ended December 31, 2017 and 2016:

	December 31, 2017		**December 31, 2016**	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	6,050,000	$ 0.10	4,291,666	$ 0.10
Cancelled	(2,150,000)	0.10	(66,666)	0.30
Exercised	(700,000)	0.10	-	-
Granted	3,250,000	$ 0.11	1,825,000	$ 0.10
Balance, end of year	6,450,000	$ 0.11	6,050,000	$ 0.10

The following stock options were outstanding and exercisable as at December 31, 2017:

Expiry Date	Exercise Price	Number of Options	Remaining Contractual Life (Years)
July 22, 2021	$ 0.10	583,333	3.56
November 8, 2021	$ 0.10	150,000	3.86
January 16, 2022	$ 0.135	850,000	4.05
May 12, 2022	$ 0.10	266,667	4.36
June 19, 2022	$ 0.10	266,667	4.47
August 17, 2022	$ 0.10	375,000	4.63
September 25, 2025	$ 0.10	1,825,000	7.74
March 15, 2026	$ 0.10	150,000	8.21
November 8, 2026	$ 0.10	125,000	8.86
Total		4,591,667	
Weighted average remaining life of stock options outstanding and exercisable			5.45

(Expressed in Canadian Dollars)

7. 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, 2017, the Company issued a total of 3,250,000 (2016 – 1,825,000) incentive stock options to directors, officers and consultants of the Company. During the year ended December 31, 2017, the options issued and vested resulted in share-based payments of $311,221 (2016 – $53,631).

	December 31, 2017	**December 31, 2016**
Expected life	5 years	5-10 years
Risk-free interest rate	1.00-1.47%	0.56-1.33%
Annualized volatility	121-125%	110-118%
Dividend rate	N/A	N/A
Fair value of shares at grant date	$0.07-0.11	$0.06-0.09

8. 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:

	2017	2016
Salaries and consulting fees	**$ 318,010**	$ 174,317
Share-based compensation	**249,188**	39,079
Key management personnel compensation	**$ 567,198**	$ 213,396

During the year ended December 31, 2017, the Company incurred consulting fees of $6,817 (2016 - $16,245) and exploration costs of $63,217 (2016 - $16,285) and property acquisition costs of $nil (2016 - $37,500) with Dahrouge Geological, 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, 2017, $46,493 (2016 - $15,472) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

9. 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.

9. 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

The Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

(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, 2017 or the year ended December 31, 2016. 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.

(Expressed in Canadian Dollars)

9. FINANCIAL RISK MANAGEMENT– continued

The following is an analysis of the Company's financial assets measured at fair value as at December 31, 2017 and December 31, 2016:

	As at December 31, 2017		
	Level 1	**Level 2**	**Level 3**
Cash	$ 1,142,521	$ -	$ -
Marketable securities	$ 2,920,942	$ -	$ -
Reclamation bond	$ 10,000	$ -	$ -
	$ 4,073,463	$ -	$ -

	As at December 31, 2016		
	Level 1	**Level 2**	**Level 3**
Cash	$ 920,910	$ -	$ -
Marketable securities	$ 5,628,792	$ -	$ -
Reclamation bond	$ 10,000	$ -	$ -
	$ 6,559,702	$ -	$ -

10. COMMITMENTS

The Company has entered into the following agreements:

i) Financing

On March 7, 2016, the Company entered into an agreement with Holystone Energy Company Limited ("Holystone") for a three year strategic partnership.

Under the terms of the agreement, Holystone has:

- Subscribed for and received 12,500,000 common shares of ALX at a price of $0.06 per share for gross proceeds of $750,000.
- The right for three years from closing of the private placement to participate in future financings at a 20% discount to maintain their pro-rata ownership interest in ALX. The right to participate in future financings is subject to a maximum ownership level of 19.9%.
- The ability to appoint one representative to the Board of Directors of ALX.

ii) Office Lease

The Company assumed a lease agreement, previously held by Alpha, for a term expiring April 1, 2017, whereby it was required to pay base rent of $83,349 per annum plus operating costs. Effective June 1, 2015, the lease agreement was amended, whereby the expiry date was extended to December 31, 2018 and the Company is required to pay base rent of $37,170 per annum plus operating costs. The Company's minimum lease payment over the next fiscal year is $37,170.

11. 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.

(Expressed in Canadian Dollars)

11. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES - continued

	Prior to January 1, 2016	Issued on May 16, 2016	Issued on June 23, 2016	Issued on December 30, 2016	Issued on July 21, 2017	Issued on December 29, 2017	Total
Balance, January 1, 2016	$ 93,915	$ -	$ -	$ -	$ -	$ -	$ 93,915
Liability incurred on flow-through shares issued	-	9,000	5,750	48,200	-	-	62,950
Transfer remaining flow-through liability to accrued liabilities	(76,808)	-	-	-	-	-	(76,808)
Settlement of flow-through share liability on incurring expenses	(17,107)	(9,000)	(5,750)	-	-	-	(31,857)
Balance, December 31, 2016	$ -	$ -	$ -	$ 48,200	$ -	$ -	$ 48,200
Liability incurred on flow-through shares issued	-	-	-	-	86,500	-	86,500
Settlement of flow-through share liability on incurring expenses	-	-	-	(48,200)	(86,500)	-	(134,700)
Balance, December 31, 2017	$ -	$ -	$ -	$ -	$ -	$ -	$ -

On May 16, 2016, the Company issued 300,000 units on a flow-through basis at $0.125 per unit for gross proceeds of $37,500 and recognized a liability for flow-through shares of $9,000. As at December 31, 2016, the Company has spent all $37,500 of the flow-through funds and have reversed the $9,000 flow-through liability.

On June 23, 2016, the Company issued 230,000 units on a flow-through basis at $0.07 per unit for gross proceeds of $28,750 and recognized a liability for flow-through shares of $5,750. As at December 31, 2016, the Company has spent $28,750 of the flow-through funds and have reversed the $5,750 flow-through liability.

On December 30, 2016, the Company issued 2,410,000 units on a flow-through basis at $0.10 per unit for gross proceeds of $241,000 and recognized a liability for flow-through shares of $48,200. As at March 31, 2017, the Company has spent $241,000 of the flow-through funds and have reversed $48,200 flow-through liability.

On July 21, 2017, the Company issued 8,650,000 units on a flow-through basis at $0.10 per unit for gross proceeds of $865,000 and recognized a liability for flow-through shares of $86,500. As at December 31, 2017, the Company has spent $865,000 of the flow-through funds and have reversed $86,500 flow-through liability.

(Expressed in Canadian Dollars)

11. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES - continued

On December 29, 2017, the Company issued 2,180,000 units on a flow-through basis at $0.10 per unit for gross proceeds of $218,000. The units were not issued at a premium to the market and no liability has been recognized. As at December 31, 2017 has spent $nil of the flow-through funds.

During the year ended December 31, 2017, the Company has incurred in excess of the required $1,106,00 (December 31, 2016 - $368,084) of qualified expenditures resulting in the reversal of the liability for flow-through shares and recorded the related net deferred tax effect of $134,700 (December 31, 2016 - $31,857). At December 31, 2017, the amount of flow-through proceeds remaining to be expended is $218,000 (December 31, 2016 - $241,000) and the balance of the liability for flow-through shares related to this private placement is $nil (December 31, 2016 - $48,200).

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		December 31, 2017		December 31, 2016
Interest paid	$	-	$	-
Income tax paid	$	-	$	-
Exploration and evaluation expenditures in accounts payable	$	60,729	$	4,797
Marketable securities received for property option payment	$	55,000	$	4,009,500
Shares issued for property option payment	$	-	$	40,167
Warrants granted for finder's fees	$	-	$	3,090

13. 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 a TSX Venture Stock Exchange or the Canadian Securities Exchange and published price quotes are widely available. The aggregate amount of the investments can be summarized as follows:

	December 31, 2017		December 31, 2016	
	Cost $	Fair Market Value $	Cost $	Fair Market Value $
New Dimension Resources Ltd.	-	-	12,000	14,286
Declan Resources Inc.	-	-	27,000	1,125
Castle Silver Mines Inc.	-	-	13,020	91,140
RT Minerals Corp.	-	-	45,000	24,000
Canyon Copper Corp.	-	-	140	211
Uravan Minerals Inc.	58,520	27,170	72,520	44,030
Aurelius Minerals Inc.	151,595	116,708	180,000	200,000
Denison Mines Corp.*	2,035,410	2,753,790	3,825,000	5,250,000
Interconnect Ventures Corporation	-	-	7,000	4,000
Miramont Resources Corp.	9,800	23,274	-	-
	2,255,325	2,920,942	4,181,680	5,628,792
Less: shares held in escrow*	(637,500)	(862,500)	(1,912,500)	(2,625,500)
Total	1,617,825	2,058,442	2,269,180	3,003,792

*The Denison Mines Corp. shares issued to the Company are subject to an escrow agreement (See Note 4). Comparative figures have been reclassified to long-term regarding the escrow shares. There were no other effects to the comparatives in the financial statements.

(Expressed in Canadian Dollars)

14. INCOME TAXES

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

		2017		2016
		26.00%		26.00%
Income (loss) for the year before income taxes	$	**(1,739,567)**	$	3,485,417
Income tax expense (benefit) computed at statutory rates		**(452,287)**		906,208
Deductible and non-deductible amounts		**541,423**		(1,183,375)
Change in valuation allowance		**(89,136)**		277,167
Deferred income tax recovery		**(134,700)**		(31,857)
Deferred income tax recovery per financial statements	$	**(134,700)**	$	(31,857)

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:

		2017		2016
Deferred income tax assets/(liabilities)				
Non-capital and net capital losses carried forward	$	**6,304,000**	$	4,299,000
Share issuance costs		**173,000**		422,000
Equipment		**44,000**		38,000
Mineral properties		**(5,910,000)**		(3,630,000)
	$	**611,000**	$	1,129,000

This 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:

		2017		2016
2027	**$**	**16,000**	$	16,000
2028		**74,000**		74,000
2029		**40,000**		40,000
2030		**229,000**		229,000
2031		**233,000**		233,000
2032		**219,000**		219,000
2033		**631,000**		631,000
2034		**1,616,000**		1,616,000
2035		**1,696,000**		1,696,000
2036		**790,000**		790,000
2037		**742,000**		-
Balance as at December 31,	**$**	**6,286,000**	$	5,544,000

15. EVENTS AFTER THE REPORTING PERIOD

a) On January 1, 2018, the Company amalgamated with its wholly owned subsidiary Alpha Exploration Inc. The amalgamated company is continuing under the name "ALX Uranium Corp.".

b) Subsequent to year-end 2,712,600 warrants expired unexercised. See Note 6.