



Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

**Notice of No Auditor Review of
Interim Consolidated 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 interim consolidated financial statements they must be accompanied by a notice indicating that these interim consolidated financial statements have not been reviewed by an auditor.

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

ALX Uranium Corp.Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	March 31, 2017	December 31, 2016
Assets		
Current		
Cash	\$ 943,403	\$ 920,910
Taxes receivable	46,897	10,849
Other receivables	4,692	2,010
Marketable securities (Note 13)	6,332,564	5,628,792
Prepaid expenses and deposit	251,359	129,304
Total Current Assets	7,578,915	6,691,865
Property and equipment (Note 5)	26,103	27,581
Exploration and evaluation assets (Note 4)	6,382,562	5,891,496
Reclamation bond	10,000	10,000
Total Assets	\$ 13,997,580	\$ 12,620,942
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 460,403	\$ 141,307
Liability for flow-through shares (Note 11)	-	48,200
Total Current Liabilities	460,403	189,507
Equity		
Share Capital (Note 6)	12,745,117	12,374,961
Share subscriptions receivable	-	(4,000)
Reserves (Note 7)	1,607,999	1,610,493
Deficit	(815,939)	(1,550,019)
Total Equity	13,537,177	12,431,435
Total Liabilities and Equity	\$ 13,997,580	\$ 12,620,942

Going concern of operations (Note 2)

Commitments (Note 10)

Event after the reporting period (Note 14)

Approval on behalf of the Board of Directors:

"Warren Stanver"

Director

"Howard Haugom"

Director

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

ALX Uranium Corp.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)

For the three months ended March 31,

(Unaudited - Expressed in Canadian Dollars)

	2017	2016
Expenses		
Accounting and audit fees	\$ 27,700	\$ -
Administration fees	-	37,500
Advertising and promotion	48,698	36,550
Amortization	1,478	1,901
Consulting fees and salaries (Note 8)	133,390	81,325
Insurance	3,982	6,388
Investor relations	5,000	23,333
Legal fees	33,113	3,638
Office and general	43,557	11,642
Share-based payments (Note 7)	97,661	10,245
Transfer agent and filing fees	9,961	20,009
Travel expenses	9,757	3,106
Operating Expenses	414,297	235,637
Other Income (Expenses)		
Foreign exchange gain (loss)	32	-
Interest and miscellaneous income	10,845	1,001
Unrealized gain on marketable securities (Note 13)	844,282	10,824
Gain on sale of marketable securities (Note 13)	245,018	-
Part XII.6 tax	-	(41,471)
Income (Loss) before Income Taxes	685,880	(265,283)
Deferred income tax recovery (Note 11)	48,200	8,949
Net Income (Loss) and Comprehensive Income (Loss) for the Period	\$ 734,080	\$ (256,334)
Basic and Diluted Earnings (Loss) Per Share	\$ 0.01	\$ (0.01)
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	68,039,244	35,231,260

ALX Uranium Corp.

Condensed Interim Consolidated Statements of Changes in Equity

For the three months ended March 31, 2017 and 2016

(Unaudited - 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)	9,495,000	527,750	-	-	-	527,750
Share issuance costs	-	(17,981)	584	-	-	(17,397)
Share subscriptions received	-	-	-	452,250	-	452,250
Share-based compensation (Note 7)	-	-	10,245	-	-	10,245
Net loss for the period	-	-	-	-	(256,334)	(256,334)
Balance, March 31, 2016	53,570,232	\$ 11,324,662	\$ 1,564,601	\$ 432,000	\$ (5,323,627)	\$ 7,997,636

	Number of Shares	Share Capital	Reserves	Share Subscription Receivable	Deficit	Total
Balance, January 1, 2017	67,561,422	\$ 12,374,961	\$ 1,610,493	\$ (4,000)	\$ (1,550,019)	\$ 12,431,435
Issuance of shares for cash (Note 6)	2,700,000	270,000	-	4,000	-	274,000
Share-based compensation (Note 7)	-	100,156	(2,494)	-	-	97,662
Net income for the period	-	-	-	-	734,080	734,080
Balance, March 31, 2017	70,261,422	\$ 12,745,117	\$ 1,607,999	\$ -	\$ (815,939)	\$ 13,537,177

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

ALX Uranium Corp.

Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31,
(Unaudited - Expressed in Canadian Dollars)

	2017	2016
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Net income (loss) for the year:	\$ 734,080	\$ (256,334)
Items not involving cash:		
Deferred income tax recovery	(48,200)	(8,949)
Amortization	1,478	1,901
Share-based payments	97,661	10,245
Unrealized gain on marketable securities	(844,282)	(10,824)
Gain on sale of marketable securities	(245,018)	-
Changes in non-cash operating working capital:		
Funds held in trust	-	(432,048)
Taxes and other receivables	(38,730)	70,641
Prepaid expenses	(122,055)	(70,884)
Accounts payable and accrued liabilities	56,536	(156,725)
Net cash flows (used in) operating activities	(408,530)	(852,977)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Proceeds from sale of resource property	-	170,000
Proceeds from sale of marketable securities	405,528	
Exploration and evaluation asset expenditures	(248,505)	(404,897)
Net cash flows provided by(used in) investing activities	157,023	(234,897)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:		
Issuance of shares for cash	270,000	527,750
Share subscriptions receivable	4,000	452,250
Share issue costs	-	(17,397)
Net cash flows provided from financing activities	274,000	962,603
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	22,493	(125,271)
Cash and cash equivalents, beginning of period	920,910	977,407
Cash and cash equivalents, end of period	\$ 943,403	\$ 852,136

Supplemental disclosure with respect to cash flows (Note 12)

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

ALX Uranium Corp. (formerly Lakeland Resources Inc.) (“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”, and in the United States of America on the OTCBB 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 consolidated 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 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.

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 three months ended March 31, 2017 were approved and authorized for issue by the Board of Directors on May 25, 2017.

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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

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 policies applied in these condensed interim consolidated financial statements are consistent with policies disclosed in Note 3 of the financial statements for the year ended December 31, 2016. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - 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 period –			
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 exploration costs			
Camp	88,394	-	88,394
Drilling	206,242	-	206,242
Field supplies and rentals	30,517	-	30,517
Geological and field personnel	60,458	125	60,583
Other	(25,226)	-	(25,226)
Surveying costs	143,400	-	143,400
Travel and accommodation	7,156	-	7,156
Total additions during the year	510,941	125	511,066
Proceeds received	-	(20,000)	(20,000)
Balance, March 31, 2017	\$ 6,328,650	\$ 53,912	\$ 6,382,562

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

Note	Gibbons Creek (i)	Kelic Lake (ii)	Lazy Edward (iii)	South Pine/Perch (iv)	Newnham Lake (v)	Carpenter Lake (vi)	Carter Lake/Hook Lake (vii)	Cluff Lake (viii)	Key Lake Road (ix)	Other Uranium Properties (x)	Total
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 period –											
Property exploration costs											
Camp	-	-	-	-	-	-	-	88,394	-	-	88,394
Drilling	-	-	-	-	-	-	-	206,242	-	-	206,242
Field supplies and rentals	-	480	-	-	-	-	-	30,037	-	-	30,517
Geological and field personnel	-	11,896	1,702	-	16,449	-	-	29,688	176	547	60,458
Other expenses	-	-	-	-	-	-	-	-	-	(25,226)	(25,226)
Surveying costs	-	-	75,000	-	68,400	-	-	-	-	-	143,400
Travel and accommodation	-	-	-	-	-	-	-	7,156	-	-	7,156
Total additions during the period	-	12,376	76,702	-	84,849	-	-	361,517	176	(24,679)	510,941
Balance, March 31, 2017	\$ 1,498,805	\$ 1,701,061	\$ 402,814	\$ 307,760	\$ 628,255	\$ 299,672	\$ 1	\$ 1,363,027	\$ 36,246	\$ 91,009	\$6,328,650

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

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 (acquired from Alpha)

On August 29, 2014, Alpha 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.

During the year ended December 31, 2015, the Company acquired one additional mineral claim totalling 1,452 hectares (3,589 acres) north of the original five claims on the Kelic Lake Property.

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.

During the year ended December 31, 2015, the Company acquired, by staking, 13 additional Lazy Edward Claims, bringing the property to 26 mineral claims, covering 32,087 hectares (72,289 acres). During the year ended December 31, 2015, the Company impaired claims valued at \$45,867, and reduced the size of the property to 22 claims.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

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.

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. The property is contiguous to the south of the Company’s Karen 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 ½% 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 (acquired from Alpha)

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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

vii) Carter Lake/ Hook Lake Properties (acquired from Alpha)

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.

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.

In November 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.

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 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 Hook Carter.

viii) Cluff Lake Project (acquired from Alpha)

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 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 overriding 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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

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 overriding 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.

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.

x) Other Uranium Properties

Riou Lake/Otherside Property

On April 2, 2013, the Company announced that it had acquired, by staking, two uranium projects located in the Athabasca Basin region of Northern Saskatchewan. The Riou Lake Property is comprised of 11 mineral claims. The Otherside Property is comprised of two mineral claims.

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 recently purchased 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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

x) Other Uranium Properties - continued

Black Birch Claims

On January 28, 2015, and amended on March 12, 2015, the Company entered into an agreement with 877384 Alberta Ltd. and Zimtu Capital Corp. ("Zimtu"), whereby the Company can acquire a 100% interest in the Black Birch Claims located in the Athabasca Basin Region of Saskatchewan. Under the terms of the agreement, total consideration of \$17,636 cash (paid) and 58,780 common shares (29,390 common shares issued with a fair value of \$4,850 and 29,390 common shares issued with a fair value of \$2,645) of the Company will be split between the vendors. The agreement was approved by the TSX-V on March 17, 2015.

Athabasca Group of Properties

On January 28, 2015, the Company entered into an agreement with DG Resource Management Ltd., whereby the Company can acquire a 100% interest in a certain group of mineral claims known as the Athabasca Group of Properties, located in the Athabasca Basin Region of Saskatchewan. Under the terms of the agreement, total consideration of for the property is \$40,880 cash (paid) and 373,333 common shares (issued). The agreement was approved by the TSX-V on March 10, 2015. The property is subject to a 2% NSR, with ALX having the right to purchase 1% any time for \$2,000,000.

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

In April, 2013, the Company announced that it had acquired the following uranium properties, by staking, in the Athabasca Basin region of northern Saskatchewan: the Karen Lake Property, comprised of three mineral claims, the Black Lake Property, comprised of two mineral claims, the Hidden Lake Property, comprised of three mineral claims, and the Fedun Lake Property, comprised of two mineral claims.

On April 25, 2013, the Company announced that it had acquired three uranium properties, by staking, in the northern and northeastern part of the Athabasca Basin in northern Saskatchewan. The Small Lake Property is comprised of six mineral claims. The Hawkrock Rapids Property is comprised of three mineral claims. The Circle Lake Property is comprised of two mineral claims.

On June 5, 2013, the Company announced that it had acquired two uranium properties, the Richmond Lake Property and Jasper Lake Property, by staking, both located within the eastern margin of the Athabasca Basin in northern Saskatchewan.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

x) Other Uranium Properties - continued

Staked Properties - continued

In August 2014, the Company acquired three uranium properties, by staking, in the Athabasca Basin region of northern Saskatchewan. The Cable Bay Property is comprised of five mineral claims. The Highrock Property is comprised of three mineral claims. The Wright River Property is comprised of eleven mineral claims.

During the year ended December 31, 2015, the Company acquired the following claims, by staking:

- i. the North Pine Claims in the Athabasca Basin region, Saskatchewan, which includes 13 mineral claims, totalling 1,779 hectares (4,396 acres); and
- ii. the Gunnar Claims in the Athabasca Basin region, Saskatchewan, which includes 3 mineral claims, totalling 1,655 hectares (4,090 acres).

Other Properties

Note	Other properties					Total
	Camlaren Gold	Kamichisitit Claims	Midas Gold	Donna Project	Mikwam Project	
	(xi)	(xii)	(xiii)	(xiv)	(xv)	
Balance, January 1, 2016	\$8,712	\$134,259	\$107,898	\$100,226	\$15,000	\$366,095
Additions during the period –						
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 period –						
Property exploration costs						
Geological	-	-	125	-	-	125
Total additions during the year	-	-	125	-	-	125
Proceeds received	-	-	(20,000)	-	-	(20,000)
Balance, March 31, 2017	\$ -	\$ -	\$53,912	\$ -	\$ -	\$53,912

xi) 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.

ALX Uranium Corp.

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(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties - continued

xii) 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.

xiii) 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.

On September 3, 2013, the Company entered into an option agreement with New Dimension Resources Ltd. ("New Dimension") whereby the Company granted New Dimension the option to acquire a 70% interest in the Midas Gold Property by spending \$1,000,000 in exploration (including a firm commitment of \$300,000 no later than December 31, 2013), issuing 1,500,000 shares (300,000 received on October 15, 2013) and paying \$100,000 on or before December 31, 2016. The property is subject to a 2% NSR to the underlying optionors, a portion of which can be purchased.

On October 19, 2015, the Company and New Dimension amended the terms of the agreement as follows:

- (1) An optional cumulative expenditure of \$700,000 on or before December 31, 2017 and \$1,200,000 on or before December 31, 2018,
- (2) Issue the Company 100,000 post consolidation shares of New Dimension on or before December 31, 2015 (received with a fair value of \$4,500 during the year) and 100,000 post consolidation shares on or before December 31, 2016, and
- (3) Pay the Company \$100,000 on or before December 31, 2017.

On August 11, 2016, the Company received notice of termination of the Midas Gold Property option with New Dimension Resources.

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. As of March 31, 2016, 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.

xiv) Donna Property (acquired from Alpha)

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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties – continued

xv) Donna Property (acquired from Alpha)

On June 1, 2016, the Company entered into an agreement with Eagle Plains Resources Ltd. (“Eagle Plains”), whereby Eagle Plains will acquire 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. The claims are each subject to a 2% net smelter return royalty payable by Eagle Plains to the Company. Eagle Plains can reduce the NSR to 1% by making a one-time payment of \$1,000,000.

xvi) Mikwam Property (acquired from Alpha)

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; and
- security 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 Galena International Resources Ltd. (“Galena”) in settlement of ALX’s and Galena’s dispute with respect to the acquisition of the Mikwam property.

Pursuant to the terms of the option agreement, Galena 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 Galena’s election, issue 500,000 common shares on or before the first anniversary of the Option Agreement;
- \$75,000 or, at Galena’s election, issue 750,000 common shares on or before the second anniversary of the Option Agreement; and
- \$100,000 or, at Galena’s election, issue 750,000 common shares on or before the third anniversary of the Option Agreement.

In addition, Galena 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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

5. EQUIPMENT

	Computer equipment \$	Field equipment \$	Office equipment \$	Total \$
Cost:				
Balance, March 31, 2017 and December 31, 2016	6,183	16,640	14,536	37,359
Accumulated amortization:				
Balance, December 31, 2016	2,203	4,043	3,532	9,778
Additions	298	630	550	1,478
Balance, March 31, 2017	2,501	4,673	4,082	11,256
Carrying amounts:				
Balance, December 31, 2016	3,980	12,597	11,004	27,581
Balance, March 31, 2017	3,682	11,967	10,454	26,103

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 March 31, 2017 is 70,261,422 (December 31, 2016: 67,561,422).

During the three months ended March 31, 2017:

- i) Exercised 2,000,000 warrants at \$0.10 each for total proceeds of \$200,000.
- ii) Exercised 70,000 options at \$0.10 each for total proceeds of \$70,000.

During the year ended December 31, 2016:

- iii) 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.
- iv) 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.
- v) 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.

ALX Uranium Corp.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL - continued

- vi) 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.
- vii) On June 16, 2016, 642,857 share purchase warrants priced at \$0.10 were exercised for gross proceeds of \$64,286.
- viii) 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.
- ix) 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.
- x) 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.
- xi) 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:

	March 31, 2017		December 31, 2016	
	Number of	Weighted	Number of	Weighted
	Warrants	Average	Warrants	Average
		Exercise		Exercise
		Price		Price
Balance, beginning of period	10,707,457	\$ 0.14	10,371,345	\$ 0.53
Expired	-	-	(8,793,131)	0.32
Exercised	(2,000,000)	0.10	(642,857)	0.10
Issued	-	-	9,772,100	0.14
Balance, end of period	8,707,457	\$ 0.15	10,707,457	\$ 0.14

ALX Uranium Corp.

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For the three months ended March 31, 2017

(Unaudited - Expressed in Canadian Dollars)

6. SHARE CAPITAL - continued

c) Warrants: - continued

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

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
December 31, 2017	\$ 0.10	435,357	0.75
January 29, 2018	\$ 0.10	2,712,600	0.83
November 16, 2017	\$ 0.20	2,377,500	0.63
December 23, 2017	\$ 0.20	772,000	0.73
December 30, 2018	\$ 0.15	2,410,000	1.75
Total		8,707,457	
Weighted average remaining life of warrants outstanding			1.02

The Company applies the fair value method in accounting for its agent's options using the Black-Scholes pricing model. During the three months ended March 31 2017, the Company issued a total of nil (March 31, 2016 – 17,600) agent warrants. During the three months ended March 31 2017, the agent's warrants granted resulted in share issue costs of \$nil (March 31, 2016 - \$584).

	March 31, 2017	March 31, 2016
Expected life	N/A	2 year
Risk-free interest rate	N/A	0.42%
Annualized volatility	N/A	131%
Dividend rate	N/A	N/A
Fair value of shares at grant date	N/A	\$0.03

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 are the stock option grants were issued during the three months ended March 31, 2017 and the year ended December 31, 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% 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.

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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.

The following is a summary of option transactions under the Company's stock option plan for the three months ended March 31, 2017 and the year ended December 31, 2016:

	March 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	(1,275,000)	0.10	(66,666)	0.30
Exercised	(700,000)	0.10	-	-
Granted	1,275,000	\$ 0.135	1,825,000	\$ 0.10
Balance, end of period	5,350,000	\$ 0.11	6,050,000	\$ 0.10

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

Expiry Date	Exercise Price	Number of Options	Remaining Contractual Life (Years)
July 22, 2021	\$ 0.10	319,444	4.31
November 8, 2021	\$ 0.10	75,000	4.61
January 16, 2022	\$ 0.135	425,000	4.8
September 25, 2025	\$ 0.10	2,425,000	8.49
December 31, 2025	\$ 0.10	100,000	8.76
March 15, 2026	\$ 0.10	150,000	8.96
Total		3,494,444	
Weighted average remaining life of stock options outstanding and exercisable			6.7

The Company applies the fair value method in accounting for its stock options using the Black-Scholes pricing model. During the three months ended March 31, 2017, the Company issued a total of 1,275,000 (March 31, 2016 – 150,000) incentive stock options to directors, officers and consultants of the Company. During the three months ended March 31, 2017, the options issued and vested resulted in share-based payments of \$97,661 (March 31, 2016 – \$10,245).

	March 31, 2017	March 31, 2016
Expected life	5 years	10 years
Risk-free interest rate	1.11%	1.33%
Annualized volatility	122%	110%
Dividend rate	N/A	N/A
Fair value of shares at grant date	\$0.11	\$0.07

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8. RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations during the three months ended March 31, 2017 and 2016.

Key Management Compensation		2017	2016
		\$	\$
Jonathan Armes	Consulting fees	-	20,100
Sierd Eriks	Consulting fees	14,404	21,551
Sierd Eriks	Exploration and evaluation costs	12,356	3,610
Mark Lackey	Salaries and wages	21,500	-
Warren Stanyer	Salaries and wages	10,500	-
Wardelaine Consulting Corp.**	Consulting fees	10,500	-
Dahrouge Geological*	Consulting fees	3,704	6,168
Dahrouge Geological*	Exploration and evaluation costs	10,992	13,688
Directors and Officers	Share-based payments	90,180	10,245
Totals		174,136	75,362

*Owned by Jody Dahrouge, Director

**Owned by Patrick Groening, Officer

Related party amounts are unsecured, non-interest bearing and due on demand. As at March 31, 2017, \$13,993 (December 31, 2016 - \$15,475) 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.

(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.

(b) Liquidity risk - continued

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.

ALX Uranium Corp.

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9. 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 March 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.

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

	As at March 31, 2017		
	Level 1	Level 2	Level 3
Cash	\$ 943,403	\$ -	\$ -
Marketable securities	\$ 6,332,564	\$ -	\$ -
Reclamation bond	\$ 10,000	\$ -	\$ -
	\$ 7,285,967	\$ -	\$ -

	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:

ALX Uranium Corp.

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For the three months ended March 31, 2017

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10. COMMITMENTS - continued

- 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. 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. The Company's minimum payments over the next two fiscal years are as follows:

	\$
2017	37,170
2018	37,170
	74,340

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.

	Issued on December 8, 2014	Issued on December 22, 2014	Issued on December 31, 2015	Issued on May 16, 2016	Issued on June 23, 2016	Issued on December 30, 2016	Total
Balance, January 1, 2016	\$ 3,128	\$ 73,680	\$ 17,107	\$ -	\$ -	\$ -	\$ 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	(3,128)	(73,680)	-	-	-	-	(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
Settlement of flow-through share liability on incurring expenses	-	-	-	-	-	(48,200)	(48,200)
Balance, March 31, 2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

On December 8, 2014, the Company issued 4,611,133 units on a flow-through basis at \$0.36 per share for gross proceeds of \$1,660,008 and recognized a liability for flow-through shares of \$138,334. As at December 31, 2015, the Company has spent and renounced \$1,622,472 of the funds. The balance of the funds received of \$37,536 was not spent in the allotted time period and will incur Part XII.6 tax. The balance of \$3,128 in the flow-through liability account has been accrued for related penalties and interest.

ALX Uranium Corp.

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

On December 22, 2014, the Company issued 614,000 units on a flow-through basis at \$0.36 per share for gross proceeds of \$221,040 and recognized a liability for flow-through shares of \$73,680. As at December 31, 2015, the Company has spent and renounced \$nil of the funds in the allotted time period and will incur Part XII.6 tax and related penalties and interest. The balance of \$73,680 in the flow-through liability account has been accrued for related penalties and interest.

On December 31, 2015, the Company issued 1,710,714 units on a flow-through basis at \$0.07 per share for gross proceeds of \$119,750 and recognized a liability for flow-through shares of \$17,107. As at December 31, 2016, the Company has spent all \$119,750 of the flow-through funds and have reversed the \$17,107 flow-through liability.

On May 16, 2016, the Company issued 300,000 units on a flow-through basis at \$0.125 per share 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 share 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 \$5,750 of their flow-through liability.

On December 30, 2016, the Company issued 2,410,000 units on a flow-through basis at \$0.10 per share 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 of their flow-through liability.

During the three months ended March 31, 2017, the Company has incurred over \$241,000 (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 \$48,200 (December 31, 2016 - \$31,857). At March 31, 2017, the amount of flow-through proceeds remaining to be expended is \$nil (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). The balance in the liability for flow-through shares account related to the unspent funds has been transferred to accrued liabilities to cover any related interest and penalties the Company may incur.

12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	March 31, 2017	March 31, 2016
Interest paid	\$ -	\$ -
Income tax paid	\$ -	\$ -
Exploration and evaluation expenditures in accounts payable	\$ 267,358	\$ 190,046
Marketable securities received for property option payment	\$ 20,000	\$ 4,500
Warrants granted for finder's fees	\$ -	\$ 584

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13. MARKETABLE SECURITIES

	March 31, 2017		December 31, 2016	
	Cost	Fair Market Value	Cost	Fair Market Value
	\$	\$	\$	\$
New Dimension Resources	12,000	17,143	12,000	14,286
Declan Resources	27,000	1,125	27,000	1,125
Castle Silver (Takara)	5,000	135,000	13,020	91,140
RT Minerals	45,000	27,000	45,000	24,000
Canyon Copper	140	176	140	211
Uravan Minerals	72,520	51,800	72,520	44,030
Aurelius Minerals (Galena)	180,000	170,000	180,000	200,000
Denison Mines	3,672,510	5,904,820	3,825,000	5,250,000
Interconnect Ventures	7,000	5,500	7,000	4,000
Miramont Resources	20,000	20,000	-	-
Total	4,041,170	6,332,564	4,181,680	5,628,792

On October 15, 2013, the Company received 300,000 common shares of New Dimension Resources Ltd. pursuant to the option to acquire a 70% interest in the Midas Gold Project. The 300,000 common shares were valued at \$0.025 per share, the closing price of the shares on October 15, 2013. On February 20, 2015, the shares were consolidated 1:7. The Company received the next payment of 100,000 common shares, with a fair value of \$4,500. The market value of the remaining 142,857 common shares is measured using the closing market price of \$0.12 as at March 31, 2017.

On January 8, 2014, the Company received 2,000,000 common shares of Declan Resources Inc. pursuant to the option to acquire a 70% interest in the Gibbons Creek Project. The 2,000,000 common shares were valued at \$0.12 per share, the closing price of the shares on January 8, 2014. During the year ended December 31, 2014, 1,775,000 shares of Declan were sold for proceeds of \$51,355. The market value of the remaining 225,000 common shares is measured using the closing market price of \$0.005 as at March 31, 2017.

On December 30, 2014, the Company received 1,500,000 common shares of Castle Silver (formerly Takara Resources Inc.) pursuant to the option to acquire a 50% interest in the Fond du Lac Property. The 1,500,000 common shares were valued at \$0.01 per share, the closing price of the shares on December 30, 2014. During the three months ended March 31, 2017, the Company sold 802,000 (December 31, 2016 - 198,000) shares of Castle Silver for gross proceeds of \$152,640 (December 31, 2016 -\$17,530). The market value of 500,000 common shares is measured using the closing market price of \$0.27 as at March 31, 2017.

On April 28, 2015, the Company received 400,000 post-consolidated common shares of RT Minerals Corp. pursuant to the option to acquire a 100% interest in the Ballard Lake Property. The 400,000 common shares were valued at \$0.15 per share, the closing price of the shares on April 28, 2015. During 2016, the Company sold 100,000 shares of RT Minerals for gross proceeds of \$10,900. The market value of 300,000 common shares is measured using the closing market price of \$0.09 as at March 31, 2017.

On September 24, 2015, in connection with the acquisition of assets from Alpha, the Company acquired 7,022 shares of Canyon Copper Corp. ("Canyon") at a cost of \$0.02 per share, 584,500 shares of Uravan Minerals Inc. ("Uravan") at a cost of \$0.14 per share, and 100,000 shares of Interconnect Ventures Corp. at a cost of \$0.07 per share. The market value of the 7,022 common shares of Canyon Copper is measured using the closing market price of \$0.025 as at March 31, 2017. The market value of the 518,000 common shares of Uravan Minerals is measured using the closing market price of \$0.10 as at March 31, 2017. The market value of the 100,000 common shares of Interconnect Ventures is measured using the closing market price of \$0.055 as at March 31, 2017.

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13. MARKETABLE SECURITIES - continued

On November 29, 2016, the Company received 2,000,000 common shares of Aurelius Minerals (formerly Galena International Resources) pursuant to the option to acquire a 100% interest in the Mikwam Property. The 2,000,000 common shares were valued at \$0.09 per share, the closing price of the shares on November 29, 2016. The market value of 2,000,000 common shares of Aurelius Minerals is measured using the closing market price of \$0.085 as at March 31, 2017.

On November 4, 2016, the Company received 7,500,000 common shares of Denison Mines pursuant to the sale of an 80% interest in the Hook/Carter property. The common shares were valued at \$0.51 per share, the closing price of the shares on November 4, 2016 which is consider the effective date of the agreement. During the three months ended March 31, 2017, 299,000 shares of Denison Mines were sold for proceeds of \$252,889. The market value of the 7,201,000 common shares of Denison Mines is measured using the closing market price of \$0.82 as at March 31, 2017.

14. EVENT AFTER THE REPORTING PERIOD

On May 15, 2017, the Company granted 400,000 stock options exercisable at \$0.10 per common share for a period of five years.