



TSXV: AL FSE: 6LLN OTC: ALXEF

ALX Resources Corp. Announces Rio Tinto Exploration Canada Earn-In for the Falcon Nickel Project

Vancouver, August 24, 2020 – ALX Resources Corp. (“ALX” or the “Company”) (TSXV: AL; FSE: 6LLN; OTC: ALXEF) is pleased to announce that it has entered into an option agreement (the “Agreement”) with Rio Tinto Exploration Canada Inc. (“Rio Tinto”) on the Company’s Falcon Nickel Project, located near the town of Stony Rapids at the terminus of Highway 905 in northern Saskatchewan. Due to a naming conflict with another Rio Tinto mineral exploration project located in the province of Saskatchewan, ALX and Rio Tinto have mutually agreed to change the name of the Falcon Nickel Project to the **Firebird Nickel Project** (“Firebird”, or the “Project”).

Terms of the Option Agreement

Rio Tinto may acquire up to an 80% interest in Firebird by incurring a total of \$12.0 million in exploration expenditures over six (6) years and by making cash payments to ALX totaling \$125,000, as outlined in the following summary:

- Rio Tinto may acquire a 51% interest in Firebird (the “First Option”) by solely funding \$3.0 million in exploration expenditures within three (3) years of the date of the Agreement (the “Effective Date”), which includes certain other obligations, namely:
 - carrying out an initial exploration program of not less than \$150,000, to be completed within six months of the Effective Date;
 - making a \$50,000 cash payment to ALX within 45 days of the Effective Date.
- Upon Rio Tinto acquiring a 51% interest in Firebird, it may elect to form a joint venture on terms established by the parties in a separate joint venture agreement, or give notice to ALX that it wishes to pursue its right to acquire up to an 80% interest in the Project (the “Second Option”). Any excess expenditures incurred by Rio Tinto during the First Option period may be credited to the expenditures required under the Second Option;
- If Rio Tinto does not elect to form a joint venture after satisfying the obligations of the First Option, it may choose to maintain its 51% interest or it may elect to acquire an additional 29% interest in Firebird to earn an 80% interest in the Project by solely funding an additional \$9.0 million in exploration over a second 3-year period for total expenditures by Rio Tinto of \$12.0 million over six years, and by making a second cash payment to ALX of \$75,000 for a total of \$125,000 in cash payments to ALX during the option periods;
- Rio Tinto will act as operator of exploration (the “Operator”) at the Project, but may in its sole discretion appoint ALX to act as Operator at any time during the First or Second Option periods. Either party while acting as Operator may charge a 10% administrative fee on exploration expenditures, with such administration fee to be included as expenditures accrued to the First Option and Second Option periods;
- Under the agreed joint venture terms, a party whose participating interest is diluted below 10% is converted to a 1.0% net smelter returns royalty (“NSR”), capped at \$20.0 million in royalties payable.
- Certain claims and partial claims owned by ALX have been added to the Firebird property for the purposes of the Agreement. ALX has acquired and added area to the northwest and southwest of the original Project boundaries, and has removed claims to the southeast, thereby establishing the size of Firebird as of the Effective Date at 20,491 hectares (50,635 acres).

"ALX welcomes this exploration partnership with Rio Tinto, one of the world’s largest and most innovative mining and exploration companies," said Warren Stanyer, ALX's CEO and Chairman. "The Rio Tinto option agreement provides a strong endorsement of ALX’s geologic vision for Firebird. We look forward to upcoming exploration plans and to unlocking the potential for new high-grade nickel-copper-cobalt discoveries at the Project."

Rio Tinto is planning an airborne electromagnetic (“EM”) survey over the northern part of Firebird in order to meet its initial Expenditure Commitment. The airborne survey will cover approximately 8,000 hectares (19,700 acres) of the Project that have never been surveyed with modern airborne methods, including the Wiley Lake nickel showing area where ALX recently drilled up to 1.31% nickel in outcrop using a hand-portable drill, and collected grab samples ranging up to 2.43% nickel (see ALX news release dated [July 27, 2020](#), “ALX Resources Corp. Samples Up to 2.43% Nickel and 8.34 Grams/Tonne Gold in the Northern Athabasca Region, Saskatchewan”)

Click on the highlighted link to view maps and pictures of ALX’s exploration activities at the [Firebird Nickel Project](#)

About the Firebird Nickel Project

ALX owns 100% of Firebird, subject to certain 2.0% net smelter returns royalties. ALX first acquired claims at Firebird beginning in May 2019. Additional land purchases and acquisitions by staking increased the size of the Project to approximately 20,491 hectares (50,635 acres), (see ALX news releases dated [June 12, 2019](#), “ALX Uranium Corp. Acquires Nickel-Copper-Cobalt Claims at Axis Lake, Saskatchewan”, [October 7, 2019](#), “ALX Uranium Corp. Acquires Additional Claims at Falcon Nickel Project, Saskatchewan”, and [October 24, 2019](#), “ALX Uranium Corp. Increases Land Position at Falcon Nickel Project, Saskatchewan”). Mobilization is achieved from the town of Stony Rapids, SK, located approximately 18 kilometres by air from the centre of Firebird. Stony Rapids is connected to the Saskatchewan highway system by all-weather Highway 905 and has a fully-serviced airport to support both fixed-wing aircraft and helicopters.

Firebird is located within the Tantato Domain, which forms a segment of the Snowbird Tectonic Zone. Firebird hosts a magmatic nickel sulphide mineralizing system that has been underexplored by modern methods until its acquisition by ALX. A long history of exploration beginning in 1929 discovered numerous nickel-copper-cobalt showings within Firebird’s boundaries, including the historical Axis Lake, Rea Lake and Currie Lake deposits, as well as a gold showing at the JJ target by Noranda in 1991.

Helicopter-supported diamond drilling and ground geophysical programs were completed by ALX at Firebird in March 2020. Magmatic nickel-copper-cobalt mineralization was intersected in two of the three holes drilled on new targets developed by ALX (see ALX news release dated [April 15, 2020](#), “ALX Resources Corp. Announces Results of 2020 Winter Drilling at Falcon Nickel Project, Northern Saskatchewan”), with the best result being 23.78 metres grading 0.36% nickel in hole FN20-002, including 10.61 metres of 0.55% nickel and 2.05 metres of 0.90% nickel (true widths unknown).

Firebird hosts a multitude of other airborne geophysical anomalies that could represent zones of magmatic sulphide mineralization. The proposed airborne EM survey will provide new information about the relatively underexplored northern part of the Project, where ALX believes higher grades of nickel tend to occur. ALX looks forward to the acquisition of modern airborne survey data, which combined with the ongoing review and interpretation of historical airborne and ground EM data could generate a series of new drill targets at Firebird.

NI 43-101 Disclosure

The technical information in this news release has been reviewed and approved by Sierd Eriks, P.Geo., President and Chief Geologist of ALX, who is a Qualified Person in accordance with the Canadian regulatory requirements set out in NI 43-101.

Drill core and grab samples described in this news release were shipped to SRC Geoanalytical Laboratories in Saskatoon, SK. Base metals were analyzed using a 4-acid digestion with Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Samples that returned over 10,000 parts per million nickel were analyzed with HCl:HNO₃ digestion followed by base metal wt% assay by Inductively Coupled Plasma Optical Emission Spectroscopy (ICP-OES). Gold, platinum and palladium were analyzed by fire assay techniques.

About ALX

ALX is based in Vancouver, BC, Canada and its common shares are listed on the TSX Venture Exchange under the symbol "AL", on the Frankfurt Stock Exchange under the symbol "6LLN" and in the United States OTC market under the symbol "ALXEF".

ALX's mandate is to provide shareholders with multiple opportunities for discovery by exploring a portfolio of prospective mineral properties, which include nickel-copper-cobalt, gold and uranium projects. The Company designs exploration programs using the latest exploration technologies and holds interests in over 200,000 hectares in Saskatchewan, a stable Canadian jurisdiction that demonstrates strong potential for economic base metals deposits, hosts a gold mine that has produced over 1.6 million ounces of gold, and hosts the highest-grade uranium mines in the world. ALX owns a 100% interest in the Firebird Nickel Project in northern Saskatchewan, which has recently been optioned to Rio Tinto Exploration Canada, who may earn up to an 80% participating interest. The Company owns 100% interests in the Flying Vee and Sceptre Gold projects in northern Saskatchewan, the Vixen Gold Project in the historic Red Lake Mining District of Ontario, Canada, and the Draco VMS Project in Norway. The Company owns a 20% interest in the Hook-Carter uranium project with Denison Mines Corp. (TSX: DML) holding an 80% interest, as well as up to 100% participating interests in a number of other uranium exploration properties in northern Saskatchewan.

For more information about the Company, please visit the ALX corporate website at www.alxresources.com or contact Roger Leschuk, Manager, Corporate Communications at PH: 604.629.0293 or Toll-Free: **866.629.8368**, or by email: rleschuk@alxresources.com

On Behalf of the Board of Directors of ALX Resources Corp.

"Warren Stanyer"

Warren Stanyer, CEO and Chairman

FORWARD-LOOKING STATEMENTS

Statements in this document which are not purely historical are forward-looking statements, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Forward-looking statements in this news release include: the Firebird Nickel Project ("Firebird") is prospective for nickel-copper-cobalt mineralization; the Company's expectations for funding partners to undertake exploration activities at Firebird and expend funds on Firebird. It is important to note that the Company's actual business outcomes and exploration results could differ materially from those in such forward-looking statements. Risks and uncertainties include that: the initial findings at Firebird may prove to be unworthy of further expenditure; announced contracting and funding partners may decide not to continue work or funding our projects; commodity prices may not support exploration expenditures at Firebird or at any of the Company's other projects; ALX may not be able to fully finance exploration at its other mineral exploration projects, including drilling activities; and economic, competitive, governmental, societal, environmental and technological factors may affect the Company's operations, markets, products and share price. Even if ALX and its funding partners explore and develop Firebird or any of our other projects, and even if nickel-copper-cobalt or other metals or minerals are discovered in quantity, Firebird or our other projects may not prove to be commercially viable. Additional risk factors are discussed in the Company's Management Discussion and Analysis for the Three Months Ended March 31, 2020, which is available under the Company's SEDAR profile at www.sedar.com. Except as required by law, we will not update these forward-looking statement risk factors.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release