

ALX Resources Corp. Options Electra Nickel Project in Ontario

Vancouver, November 23, 2020 – ALX Resources Corp. (“ALX” or the “Company”) (TSXV: AL; FSE: 6LLN; OTC: ALXEF) is pleased to announce that it has executed a binding letter agreement for an option to purchase a 100% interest in the Electra Nickel Project (“Electra”, or the “Project”) located in Shebandowan Greenstone Belt within the Thunder Bay South Mining District of Ontario, Canada. Electra, formerly known as the Bateman Lake property, is prospective for nickel, copper and cobalt (“Ni-Cu-Co”), platinum group elements (“PGEs”) and gold mineralization.

Highlights of the Electra Nickel Project

- Electra is located approximately 35 kilometres northwest of Thunder Bay, Ontario, Canada in a fertile exploration district well-linked to highways, roads and trails, and lies near a powerline and the Canadian National Railroad.
- The past-producing Shebandowan Mine, operated by Inco Ltd. from 1972 until 1998, is located approximately 35 kilometres to the northwest of Electra. Production consisted of 9.29 million tons grading 1.75% nickel, 0.88% copper, 0.063% cobalt and 1.83 grams/tonne PGEs.¹
- ALX considers Electra underexplored, especially in the past decade where little to no modern exploration has been carried out.
- The presence of komatiitic ultramafic rocks with spinifex textures grading up to approximately 1.0% nickel in surface sampling is reminiscent of the mineralization styles found in the Kambalda District of Australia, and the Raglan district of Quebec.
- Gold mineralization is present at Electra. In 1995, Hemlo Gold Mines Inc. (“Hemlo”) mapped a gold-bearing system over a 700 metre strike length and sampled up to 82.5 grams/tonne gold on the northeast shore of Bateman Lake within a Timiniskaming conglomerate, which Hemlo stated could represent the distal expression of a larger gold-bearing system at depth.²
- The Tower Stock Gold Project operated by White Metal Resources Corp. is located approximately five kilometres northeast of the gold showing found by Hemlo, and hosts an inferred resource estimated at 86,297 ounces of gold contained within 3,971,583 tonnes at an average grade of 0.68 grams/tonne (not compliant with National Instrument 43-101).³

¹ *Mineral Deposit Inventory, Ministry of Energy, Northern Development and Mines, #MDI52B09SE00003*

² *Hemlo Gold Mines Inc., Assessment File #52A12SE0001, 1996*

³ *Independent Mineral Resource Estimation, Tower Mountain Gold Deposit, ValGold Resources Ltd.; Prepared by Caracle Creek International Consulting Inc. and Clark Exploration Consulting Inc., Effective February 9, 2006.*

ALX believes that a modern airborne survey is the required first step at Electra to locate and define geophysical targets related to the many surface showings discovered by historical exploration, followed by ground-truthing of anomalies, the application of leading-edge geochemical surveys, and diamond drilling.

To view maps of Electra [click here](#)

Details of the Acquisition

ALX has executed a binding letter agreement (the “Agreement”) with a vendor group (“the Vendors”) to earn up to a 100% interest in one hundred and four (104) units totaling 2,225.73 hectares (5,499.91 acres), in exchange for total payments of \$135,000 cash, 1.1 million common shares of ALX, and \$500,000 in exploration expenditures (the “Expenditures”), according to the following schedule:

- A non-refundable \$3,000 cash payment paid by ALX as a pre-option payment for an exclusive 45-day period during which ALX will conduct due diligence on the Project;
- On the later of TSX Venture Exchange (“TSXV”) approval and signing of a definitive agreement (such date becoming the “Anniversary Date”): \$7,000 in cash and 300,000 common shares of ALX;
- On or before 1st Anniversary Date: \$15,000 in cash and 250,000 common shares of ALX, and \$100,000 in Expenditures;
- On or before 2nd Anniversary Date: \$20,000 in cash and 200,000 common shares of ALX, and an additional \$100,000 in Expenditures;
- On or before 3rd Anniversary Date: \$25,000 in cash and 150,000 common shares of ALX, and an additional \$100,000 in Expenditures;
- On or before 4th Anniversary Date: \$30,000 in cash and 100,000 common shares of ALX, and an additional \$100,000 in Expenditures;
- On or before 5th Anniversary Date: \$35,000 in cash and 100,000 common shares of ALX, and an additional \$100,000 in Expenditures.

Electra is subject to a 2.5% net smelter returns royalty (“NSR”) payable to the Vendors on the sale of valuable minerals from the Project. At any time, ALX shall have the right to purchase from the Vendors up to 1.5% of the NSR in 0.5% increments for \$500,000 per 0.5% increment.

ALX and the Vendors have agreed to settle the terms of a definitive agreement incorporating the terms and conditions of the Agreement on or before December 31, 2020. ALX’s acquisition of a 100% interest in Electra is subject to (i) completion of a due diligence review of the Project, to its sole satisfaction, (ii) approval by the Board of Directors of ALX of the terms of a transaction for the Project, and (iii) acceptance of the definitive agreement by the TSXV.

About Electra

Electra lies within the western extension of the Abitibi-Wawa-Shebandowan subprovince of the Superior structural province of the Canadian Shield. The volcanic-sedimentary units of this belt are bounded to the south by granitic terrain, and to the north by the Quetico subprovince.

A major structural feature known as the Thunder Lake Fault striking northeast-southwest through Electra is traced through the property using airborne magnetic geophysics, and is interpreted as a lithospheric scale fault. This type of deep-seated structure is a requisite for the emplacement of mineralization from a magmatic source.

Historical exploration at Electra since the 1960s consisted of prospecting, soil sampling, trenching and limited geophysical and drilling programs, intermittently searching for nickel and gold mineralization. A 1995 drilling program by Winslow Gold Corp. intersected multiple zones of Ni-Cu-Co and zinc mineralization, including 16.6 metres of 0.15% nickel. At the Kwiatkowski Zone showing, ground prospecting located komatiitic rocks that returned values of up to 9,482 parts per million (“ppm”) nickel. The komatiites hosting the showing are notable for exhibiting spinifex textures associated with the nickel mineralization. Follow-up trenching and channel sampling of the komatiites by Linear Metals Corporation in 2008 returned a maximum value of 6,675 parts per million nickel over 3.7 metres.

National Instrument 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 National Instrument 43-101. Readers are cautioned that much of the

technical information described in this news release is historical in nature; however, the historical information is deemed credible and was produced by professional geoscientists in the years discussed. Geochemical results quoted in this news release were taken directly from assessment work filings published by the Government of Ontario and other regulatory filings. Management cautions that historical results were collected and reported by past operators and have not been verified nor confirmed by its Qualified Person, but create a scientific basis for ongoing work in the Electra property area. Management further cautions that past results or discoveries on adjacent or nearby mineral properties are not necessarily indicative of the results that may be achieved on ALX's mineral properties.

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 gold, nickel-copper-cobalt and uranium projects. The Company uses the latest exploration technologies and holds interests in over 200,000 hectares of prospective lands in Saskatchewan, a stable Canadian jurisdiction that hosts the highest-grade uranium mines in the world, a producing gold mine, and production from base metals mines, both current and historical.

ALX owns 100% interests in the **Firebird Nickel Project** (now under option to Rio Tinto Exploration Canada, who can earn up to an 80% interest), **Flying Vee** and **Sceptre Gold** projects in northern Saskatchewan, the **Vixen Gold Project** and the **Electra Nickel Project** located in historic mining districts of Ontario, Canada, and the **Draco VMS Project** in Norway. ALX holds interests in a number of uranium exploration properties in northern Saskatchewan, including a 20% interest in the **Hook-Carter Uranium Project**, with Denison Mines Corp. (80% interest) operating exploration since 2016.

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 Electra Nickel Project ("Electra") is prospective for nickel-copper-cobalt, PGE and gold mineralization; the Company's plans to undertake exploration activities at Electra, and expend funds on Electra. 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 ALX may not be able to fully finance exploration at Electra, including drilling; our initial findings at Electra may prove to be unworthy of further expenditure; commodity prices may not support exploration expenditures at Electra; and economic, competitive, governmental, societal, public health, environmental and technological factors may affect the Company's operations, markets, products and share price. Even if we explore and develop Electra, and even if nickel-copper-cobalt, PGEs and gold or other metals or minerals are discovered in quantity, the project may not be commercially viable. Additional risk factors are discussed in the Company's Management Discussion and Analysis for the Six Months Ended June 30, 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