

ALX Resources Corp. Options Alligator Lake Gold Project in Saskatchewan and Reports Surface Samples of up to 547 Grams/Tonne Gold

Vancouver, January 27, 2021 – 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 earn up to an 80% interest in the Alligator Lake Gold Project (“Alligator”, or the “Project”) located approximately 165 kilometres (103 miles) northeast of La Ronge, SK, Canada. The Project consists of five claims totaling 2,973.32 hectares (7,347.24 acres) and is prospective for high-grade gold mineralization.

Highlights of the Alligator Lake Project

- Alligator is located adjacent to Provincial Highway 102, and has an established winter trail suitable for mobilizing drilling equipment directly to ALX’s primary area of interest.
- The Project has been held since 1985 by Alligator Resources Ltd. (“ARL”), a private Saskatchewan corporation, and has been the subject of a number of seasonal prospecting programs and limited geophysical surveying. A total of 16 diamond drill holes have been drilled since 1995 to depths averaging less than 86 metres.
- In October 2020, ALX carried out its first site visit to Alligator and collected fifteen rock samples from areas of historical bedrock showings. An outcrop sample taken by ALX at the Broken Hammer Zone showing returned **504.0 grams/tonne (“g/t”) gold (16.13 oz/ton)**, and 46.2 g/t silver, by fire assay. A follow-up total metallic gold assay returned **547.0 g/t gold (17.50 oz/ton)**. Twelve of the fifteen outcrop samples collected by ALX were anomalous in gold (i.e., greater than 0.1 g/t gold), with four other high-grade samples returning between **2.71 g/t gold and 22.8 g/t gold**.
- A surface exploration permit was issued by the Government of Saskatchewan in January 2021 approving up to 5,000 metres of diamond drilling at Alligator, good to March 31, 2022.

“Alligator shows strong potential for hosting high-grade gold mineralization at shallow depths,” said Warren Stanyer, CEO and Chairman of ALX. “ALX plans to drill the Broken Hammer Zone armed with a new geological understanding of the mineralized structures that were not tested by historical explorers.”

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

Details of the Acquisition

Within five (5) business days of ARL's acceptance of the letter agreement, ALX shall make a non-refundable \$3,000 cash payment to ARL. During the period of forty-five (45) days from ARL's acceptance of this letter agreement (the "Due Diligence period") ALX shall have the exclusive right to conduct due diligence on the Project, at its sole discretion and expense.

ALX and ARL have agreed to settle the terms of a definitive agreement incorporating the terms and conditions of the letter agreement within a 45-day period following the conclusion of ALX’s due diligence. The definitive agreement will provide ALX the option to earn up to an 80% interest in the Project over a four (4) year period from the effective date of the definitive agreement in consideration for: (a) cash payments totaling \$150,000, (b) the issuance of common shares of ALX to ARL totaling 1,500,000 common shares; and (c) ALX incurring eligible expenditures totaling \$1,250,000 with respect to the Project, as further described below.

ALX can initially earn at its option a 51% interest in the Project (the "First Option"), by meeting the following schedule of conditions:

- Within five (5) days of the later of (a) execution of the Definitive Agreement by both parties and (b) ALX's receipt of required acceptance from the TSX Venture Exchange ("TSXV") for the issuance of common shares and consent to the Definitive Agreement, ALX shall make a \$12,000 cash payment and issue 250,000 common shares to ARL;
- On or before December 31, 2021, ALX shall make a \$25,000 cash payment and issue an additional 250,000 common shares to ARL;
- On or before December 31, 2022, ALX shall make a \$30,000 cash payment and issue 250,000 common shares to ARL; and
- ALX shall incur expenditures of at least \$500,000 at the Project.

ALX can earn an additional 29% interest in the Project (the "Second Option"), to earn a cumulative 80% interest in the Project, by meeting the following schedule of conditions:

- On or before December 31, 2023, ALX shall make an additional \$35,000 cash payment and issue an additional 250,000 common shares to ARL;
- On or before December 31, 2024, ALX shall make an additional \$45,000 cash payment and issue an additional 500,000 common shares to ARL; and
- ALX shall incur additional expenditures of at least \$750,000 at the Project.

ALX, at its option, can accelerate the cash payments and common share issuances described above.

Any excess eligible expenditures incurred on the Project within an earn-in time period will be credited to successive earn-in time periods. Any deficiency in the amount of eligible expenditures incurred can be satisfied by a cash payment made by ALX to ARL equal to the deficiency on or before the applicable due date. All common shares issued by ALX will be subject to a 4-month hold period as per Canadian securities laws.

Upon ALX obtaining an 80% interest in the Project (by exercise of both the First Option and the Second Option), ALX and ARL shall form a joint venture in respect of the development of the Project (with ALX as operator), with the terms of the joint venture agreement to be negotiated in good faith between the parties. Alligator is subject to an underlying 2.5% net smelter returns royalty ("NSR") on the sale of valuable minerals from the Project.

ALX's acquisition of up to an 80% interest in Alligator is subject to (i) completion of a due diligence review of the Project, to ALX's 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 Alligator

Geology

The Project is underlain by Precambrian Shield rocks of the Central Metavolcanic Belt ("CVB"), part of the La Ronge Domain. Northeast-striking and steeply northwest-dipping upper greenschist to lower amphibolite facies ultramafic to mafic metavolcanic rocks of the CVB are intruded by ultramafic to mafic sills. These ultramafic to mafic rocks are structurally underlain by similarly northeast-striking and northwest-dipping meta-arkose and calcareous metagreywackes of the McLennan-Sickle Group.

The dominant structural feature at Alligator is the Byers Fault, which strikes in a northeasterly direction and dips to the northwest. The Byers Fault can be traced along the southeast shore of Alligator Lake and through a series of muskeg and small lake-filled topographic lows. The Byers Fault is recognized as a "first-order" controlling structure for many "second-order" quartz-sulphide-carbonate healed shear and tensional vein type gold deposits and occurrences in the greater Waddy Lake area (Schwann, 1991). In the Waddy Lake area, however, the Byers Fault trends approximately east-west before stepping/flexing into a more northeasterly trend in the Contact Lake-Alligator Lake area. Large-scale "bends" in fault

systems are known to be the preferential location for dilatancies that could host gold-bearing quartz vein swarms.

South of Alligator Lake, a northeast striking contact between the metavolcanics and the metasediments, is marked by a topographic lineament with sporadic outcrop displaying evidence of shearing, identified as the Radiant Shear Zone. The McLennan Lake Tectonic Zone (“MLTZ”), which is parallel to, but located approximately 2 kilometres southeast of the Byers Fault, is a major regional tectonic feature separating rocks of the Central Metavolcanic Belt from metasedimentary rocks of the MacLean Lake Belt to the east.

History of Exploration

During the late 1960s, Sherritt Gordon Mines Limited (Sherritt Gordon) carried out regional airborne magnetic and electromagnetic (“EM”) surveys over areas of the Project followed by ground EM surveying and the completion of six diamond drill holes (Saskatchewan Mineral Assessment Database (“SMAD”) File #64D-0001 and #64D04-0037). Three holes were drilled to the north and three holes to the south of Alligator Lake. All six holes intersected iron sulphide (pyrite and pyrrhotite) concentrations in metasedimentary rocks, quartz veins and “amphibolite” with the best result of 0.13% nickel and 0.12% copper over 1.37 metres. Sherritt Gordon’s drilling explained the cause of the shallow EM anomalies but because of their focus on base metals exploration, few gold or PGE assays were reported from drill cores, leaving the precious metals potential of these rocks essentially untested.

The most significant precious metals occurrence at Alligator is the Broken Hammer Showing, a 1.5 to 4.0 metre wide and 55 metre long north-northeast trending quartz vein, which contains visible gold in association with molybdenum (Heigh, 1995). Historical surface samples collected at the Broken Hammer Showing returned up to **707.8 g/t gold (20.5 oz/ton)** (Collins *et al*, 1989). In 1995, Uranerz Exploration and Mining (“UEM”) drilled four holes at 100-metre intervals along the Broken Hammer Shear Zone. The best intersection was **7.31 g/t gold (0.23 oz/ton) over 1.5 metres** in hole AL-02, beneath the site where visible gold was discovered (Avery and Leppin, 1995).

The results of a summer 2013 field program confirmed that the Broken Hammer Showing is a deformed (boudinaged) quartz vein that has potentially been modified into a series of moderately plunging (50° to 70°) shoots (Jiricka, 2014). These interpreted shoots do not appear to have been specifically targeted or adequately tested by the 1995 UEM drill program. The areas just to the north of drill holes AL-01 and AL-02 could represent the down-plunge extension of high-grade gold mineralization identified in the Broken Hammer Showing / Broken Hammer North Extension Showing trenches and should be tested by diamond drilling at shallow depths.

National Instrument 43-101 Disclosure

The technical information in this news release has been reviewed and approved by Sierd Eriks, P.Geol., 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. Historical geochemical results quoted in this news release were taken directly from assessment work filings published by the Government of Saskatchewan 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 Alligator property area.

Geochemical results from samples collected by ALX in 2020 described in this news release were shipped to SRC Geoanalytical Laboratories in Saskatoon, SK and analyzed using a 4-acid digestion

with Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Gold, platinum and palladium were analyzed by fire assay techniques. Samples that returned > 3000 ppb gold by fire assay were further analyzed by metallic gold assay.

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 Nickel/Gold** and **Sceptre Gold** projects in northern Saskatchewan, the **Vixen Gold Project**, the **Electra Nickel Project** and the **Cannon Copper 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 Alligator Lake Gold Project ("Alligator") is prospective for gold mineralization; the Company's plans to undertake exploration activities at Alligator, and expend funds on Alligator. 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 Alligator, including drilling; our initial findings at Alligator may prove to be unworthy of further expenditure; commodity prices may not support exploration expenditures at Alligator; 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 Alligator, and even if 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 Nine Months Ended September 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