

(formerly Lakeland Resources Inc.)

Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2016

(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.
(formerly Lakeland Resources Inc.)
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

		March 31, 2016		December 31, 2015
Assets				
Current				
Cash	$	**852,136**	$	977,407
Funds held in trust (Note 15)		**432,048**		-
Taxes receivable		**27,301**		82,674
Other receivables		**7,602**		22,870
Marketable securities (Note 14)		**149,889**		134,565
Prepaid expenses		**125,702**		54,818
Total Current Assets		**1,594,678**		1,272,334
Property and equipment (Note 6)		**33,285**		35,186
Exploration and evaluation assets (Note 5)		**6,630,240**		6,562,449
Reclamation bond		**10,000**		10,000
Total Assets	$	**8,268,203**	$	7,879,969
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**262,409**	$	504,932
Liability for flow-through shares (Note 12)		**8,158**		93,915
Total Current Liabilities		**270,567**		598,847
Equity				
Share Capital (Note 7)		**11,324,662**		10,814,893
Share subscriptions receivable		**432,000**		(20,250)
Reserves (Note 8)		**1,564,601**		1,553,772
Deficit		**(5,323,627)**		(5,067,293)
Total Equity		**7,997,636**		7,281,122
Total Liabilities and Equity	$	**8,268,203**	$	7,879,969

Going concern of operations (Note 2)
Events after the reporting period (Note 16)

Approval on behalf of the Board of Directors:

"Jonathan Armes"
Director

"Michael Gunning"
Director

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

ALX Uranium Corp.
(formerly Lakeland Resources Inc.)
Condensed Interim Consolidated Statements of Comprehensive Loss
For the three months ended March 31,
(Unaudited - Expressed in Canadian Dollars)

		2016		2015
Expenses				
Administration fees (Note 11)	$	**37,500**	$	37,500
Advertising and promotion		**36,550**		48,156
Amortization		**1,901**		-
Consulting fees and salaries (Note 9)		**81,325**		61,395
Insurance		**6,388**		4,175
Investor relations		**23,333**		20,000
Legal fees		**3,638**		5,818
Office and general		**11,642**		5,279
Share-based payments (Note 8)		**10,245**		-
Transfer agent and filing fees		**20,009**		14,319
Travel expenses		**3,106**		15,376
Operating Expenses		**235,637**		212,018
Other Income (Expenses)				
Interest income		**254**		2,312
Miscellaneous income		**747**		-
Part XII.6 tax (Note 12)		**(41,471)**		-
Unrealized gain (loss) on marketable securities (Note 14)		**10,824**		31,071
Income (Loss) before Income Taxes		**(265,283)**		(178,635)
Deferred income tax recovery (Note 12)		**8,949**		190,646
Net and Comprehensive Income (Loss) for the Period	$	**(256,334)**	$	12,011
Basic and Diluted Income (Loss) Per Share	$	**(0.01)**	$	(0.00)
Weighted Average Number of Common Shares Outstanding – Basic		**35,231,260**		19,527,286

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

ALX Uranium Corp.
(formerly Lakeland Resources Inc.)
Condensed Interim Consolidated Statements of Changes in Equity
For the three months ended March 31, 2016 and 2015
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Reserves	Share Subscription Receivable	Deficit	Total
Balance, January 1, 2015	**24,708,528**	**$ 8,196,153**	**$ 797,464**	**$ -**	**$ (2,789,028)**	**$ 6,204,589**
Issuance of shares for exploration and evaluation interests (Note 5 & 7)	216,058	35,650	-	-	-	35,650
Net income for the period	-	-	-	-	12,011	12,011
Balance, March 31, 2015	**24,924,586**	**$ 8,231,803**	**$ 797,464**	**$ -**	**$ (2,777,017)**	**$ 6,252,250**

	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 7)	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 8)	-	-	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**

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

ALX Uranium Corp.
(formerly Lakeland Resources Inc.)
Condensed Interim Consolidated Statements of Cash Flows
For the three months ended March 31,
(Unaudited - Expressed in Canadian Dollars)

		2016		2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:				
Net income (loss) for the period:	$	**(256,334)**	$	12,011
Items not involving cash:				
Amortization		**1,901**		-
Deferred income tax recovery		**(8,949)**		(190,646)
Share-based payments		**10,245**		-
Unrealized (gain) loss on marketable securities		**(10,824)**		(31,071)
Changes in non-cash operating working capital:				
Funds held in trust		**(432,048)**		-
Taxes and other receivables		**70,641**		(23,216)
Prepaid expenses		**(70,884)**		19,935
Accounts payable and accrued liabilities		**(156,725)**		(19,095)
Net cash flows (used in) operating activities		**(852,977)**		(232,082)
CASH FLOWS (USED IN) INVESTING ACTIVITIES:				
Proceeds from sale of resource property		**170,000**		-
Exploration and evaluation asset expenditures		**(404,897)**		(525,643)
Net cash flows (used in) investing activities		**(234,897)**		(525,643)
CASH FLOWS PROVIDED FROM FINANCING ACTIVITIES:				
Issuance of shares for cash		**527,750**		-
Share issue costs		**(17,397)**		-
Share subscriptions received		**452,250**		-
Net cash flows provided from financing activities		**962,603**		-
INCREASE IN CASH AND CASH EQUIVALENTS		**(125,271)**		(757,725)
Cash and cash equivalents, beginning of period		**977,407**		3,754,652
Cash and cash equivalents, end of period	$	**852,136**	$	2,996,927

Supplemental disclosure with respect to cash flows (Note 13)

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

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 OTCQX under the symbol "ALXEF". The Company is principally engaged in the acquisition, exploration, and development of mineral properties.

On September 24, 2015, the Company consolidated their outstanding shares on the basis of one post-consolidated share for every three pre-consolidated share. All share values referenced in these consolidated financial statements are post-consolidation.

The head office, principal address and registered and records office of the Company are located at 1450 – 789 West Pender, Vancouver, BC, Canada, V6C 1H2.

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, 2016 were approved and authorized for issue by the Board of Directors on May 25, 2016.

2. BASIS OF PREPARATION - continued

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.

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, 2015. 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, 2015.

4. TRANSACTION WITH ALPHA EXPLORATION INC.

On September 25, 2015, the Company completed a Plan of Arrangement (the "Transaction") with Alpha Exploration Inc. ("Alpha") and acquired all of the common shares of Alpha. The Alpha shareholders received 0.50 of an ALX common share for each Alpha common share held, resulting in the Company issuing 15,868,875 common shares to Alpha shareholders, representing approximately 38% of ALX's total post-transaction (3 to 1 consolidation) issued and outstanding share capital. All of the outstanding Alpha options were cancelled and all of the outstanding Alpha warrants were assumed by ALX and exercisable to acquire ALX common shares, with the number of ALX common shares and warrant price adjusted, as appropriate, to reflect the consideration received by the Alpha shareholders pursuant to the Transaction agreement (1,127,694 warrants were issued).

4. TRANSACTION WITH ALPHA EXPLORATION INC. - continued

The Company has recorded the purchase of assets of Alpha as follows:

Purchase Price consideration:

	$
Value of 15,868,875 shares issued at $0.15 per share	2,380,331
Fair value of Alpha warrants assumed by ALX	176,292
Transaction costs	94,043
Total	2,650,666
Assets acquired and liabilities assumed	
Cash	703,827
Marketable securities	88,970
Prepaid expenses	66,952
Amounts receivable	17,453
Reclamation bond	10,000
Property and equipment	37,359
Exploration and evaluation assets	2,582,015
Total Assets	3,506,576
Liabilities	
Accounts payable and accrued liabilities	14,965
Deferred income tax liability	840,945
Net Carrying Value	2,650,666

5. 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, 2015	$ 1,651,015	$ 1,248,355	$ 2,899,370
Additions during the year –			
Property acquisition costs			
Cash	153,516	-	153,516
Shares for property	121,495	-	121,495
Staking and recording	32,116	-	32,116
Acquisition of Alpha properties	2,467,014	115,000	2,582,014
Property exploration costs			
Assays	98,829	-	98,829
Camp	247,353	-	247,353
Drilling	950,511	-	950,511
Field supplies and rentals	247,314	2,056	249,370
Geological and field personnel	636,593	55,897	692,490
Other	77,397	-	77,397
Reports	1,697	3,500	5,197
Travel and accommodation	593,696	-	593,696
Total additions during the year	5,627,531	176,453	5,803,984
Impairment of exploration and evaluation assets	(1,082,192)	(920,845)	(2,003,037)
Loss on sale of exploration and evaluation assets	-	(77,868)	(77,868)
Proceeds received	-	(60,000)	(60,000)
Balance, December 31, 2015	$ 6,196,354	$ 366,095	$ 6,562,449
Additions during the period –			
Property exploration costs			
Assays	69,398	-	69,398
Camp	51	-	51
Field supplies and rentals	(894)	1,725	831
Geological and field personnel	20,989	-	20,989
Other	18,443	-	18,443
Surveying costs	130,905	-	130,905
Travel and accommodation	1,674	-	1,674
Total additions during the period	240,566	1,725	242,291
Proceeds received	(170,000)	(4,500)	(174,500)
Balance, March 31, 2016	$ 6,266,920	$ 363,320	$ 6,630,240

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties

	Gibbons Creek	Kelic Lake	Lazy Edward	South Pine/Perch	Newnham Lake	Carpenter Lake	Carter Lake/Hook Lake	Cluff Lake	Key Lake Road	Other Uranium Properties	Total
Note	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Balance, January 1, 2015	$ 251,337	$ -	$ 266,933	$ 211,303	$ 517,795	$ -	$ 1,142	$ -	$ 1,955	$ 400,550	$1,651,015
Additions during the year –											
Property acquisition costs											
Cash	-	-	-	10,000	45,000	-	40,000	-	-	58,516	153.516
Shares for property	-	7,500	-	14,000	22,500	-	28,000	-	-	49,495	121,495
Staking and recording	-	-	3,406	-	-	-	10,722	-	5,822	12,166	32,116
Acquisition of Alpha properties	-	397,349	-	-	-	593,863	529,085	946,655	-	-	2,467,952
Property exploration costs											
Assays	75,693	18,445	4,691	-	-	-	-	-	-	-	98,829
Camp	-	224,451	-	-	22,902	-	-	-	-	-	247,353
Drilling	486,089	464,422	-	-	-	-	-	-	-	-	950,511
Field supplies and rentals	170,873	13,883	-	-	39,418	-	-	-	23,140	-	247,314
Geological and field personnel	390,152	67,162	16,122	-	102,753	67	6,000	-	35,758	17,641	635,655
Other expenses	-	-	-	-	-	-	-	-	42,291	35,106	77,397
Reports	-	-	-	-	-	-	-	-	-	1,697	1,697
Travel and accommodation	105,583	466,504	-	-	10,437	-	-	-	11,172	-	593,696
Total additions during the year	1,228,390	1,659,716	24,219	24,000	243,010	593,930	613,807	947,655	118,183	174,621	5,627,531
Impairment	-	-	(45,867)	-	(299,495)	(294,526)	-	-	(47,972)	(394,332)	(1,082,192)
Balance, December 31, 2015	$ 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 period –											
Property exploration costs											
Assays	12,623	1,558	55,217	-	-	-	-	-	-	-	69,398
Camp	-	51	-	-	-	-	-	-	-	-	51
Drilling	-	-	-	-	-	-	-	-	-	-	-
Field supplies and rentals	(241)	(747)	-	-	-	-	-	-	94	-	(894)
Geological and field personnel	2,733	2,256	6,313	179	1,121	268	6,381	938	800	-	20,989
Other expenses	-	18,443	-	-	-	-	-	-	-	-	18,443
Surveying costs	-	-	-	-	-	-	85,800	45,105	-	-	130,905
Travel and accommodation	1,674	-	-	-	-	-	-	-	-	-	1,674
Total additions during the period	16,789	21,561	61,530	179	1,121	268	92,181	46,043	894	-	240,566
Proceeds	-	-	-	-	-	-	(170,000)	-	-	-	(170,000)
Balance, March 31, 2016	$ 1,496,516	$ 1,681,277	$ 306,815	$ 235,482	$ 462,431	$ 299,672	$ 537,130	$ 993,698	$ 73,060	$ 180,839	$6,266,920

5. 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 covering 18,932 hectares.

5. 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 (Note 5(x)). 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 ($62,500 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.

During the year ended December 31, 2015, the Company impaired five claims valued at $299,495.

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 and impaired the value of $294,526.

5. 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.

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 over-riding royalty for all uranium mineral products and a 2% net smelter returns royalty for all other metals. The Company will return all of its interest in the claim to Acme upon a decision by the Company to terminate work thereon.

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

The Gorilla Lake project comprises two mineral dispositions totaling approximately 7,552 hectares and is held 80% by the Company and 20% by Logan Resources Ltd. ("Logan"). The Company shall produce a bankable feasibility study with Logan having a carried interest until the feasibility study is delivered, at which time Logan will have the choice to take on a 20% participating interest in a new company to operate the production facility or take on a 2% gross over-riding royalty for all uranium mineral products and a 2% net smelter returns royalty for all other metals. The Company will return all of its interest in any of the claims to Logan upon a decision by the Company to terminate work thereon.

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.

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties – continued

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. Also during the year ended December 31, 2015, the Company impaired three claims valued at $47,972.

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. During the year ended December 31, 2015, the Company impaired these claims valued at $190,929.

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. Under the terms of the agreement, the Company has the right to earn a 100% interest in the claims by issuing 66,667 common shares (issued). The transaction was approved by the TSX-V on June 27, 2014. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

On December 29, 2014, the Company announced it had entered into an option agreement with Takara Resources Inc. ("Takara") where Takara can acquire a 50% interest in the Fond du Lac Property by issuing 1,750,000 common shares (1,500,000 shares issued with a fair value of $15,000) and spending $100,000 on exploration of the property by June 1, 2015. The property is subject to a 1.5% NSR to the original vendor. The transaction was approved by the TSX-V on December 31, 2014. As at December 31, 2015 Takara is in default of the agreement.

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. As of the current date the Company has satisfied the terms of the agreement and earned its interest in the property.

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. During the year ended December 31, 2015, the Company impaired these claims valued at $25,131.

5. EXPLORATION AND EVALUATION ASSETS - continued

Uranium Properties - continued

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. During the year ended December 31, 2015, the Company impaired these claims valued at $82,880.

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.

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).

During the year ended December 31, 2015, the Company impaired the above staked claims valued at $95,392.

5. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties

	Other properties						
	Camlaren Gold	**Kamichisitit Claims**	**Midas Gold**	**Ballard Lake**	**Donna Project**	**Mikwam Project**	**Total**
Note	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	
Balance, January 1, 2015	$308,315	$126,429	$728,743	$84,868	$ -	$ -	$1,248,355
Additions during the year –							
Property acquisition costs							
Acquisition of Alpha properties	-	-	-	-	100,000	15,000	115,000
Property exploration costs							
Field supplies and rentals	-	1,830	-	-	226	-	2,056
Geological and field personnel	397	2,500	-	53,000	-	-	55,897
Reports	-	3,500	-	-	-	-	3,500
Total additions during the year	397	7,830	-	53,000	100,226	15,000	176,453
Impairment	(300,000)	-	(620,845)	-	-	-	(920,845)
Loss on sale of property	-	-	-	(77,868)	-	-	(77,868)
Proceeds received	-	-	-	(60,000)	-	-	(60,000)
Balance, December 31, 2015	$8,712	$134,259	$107,898	$ -	$100,226	$15,000	$366,095
Additions during the period –							
Property exploration costs							
Field supplies and rentals	-	-	-	-	225	1,500	1,725
Total additions during the period	-	-	-	-	225	1,500	1,725
Proceeds received	-	-	(4,500)	-	-	-	(4,500)
Balance, March 31, 2016	$8,712	$134,259	$103,398	$ -	$100,451	$16,500	$363,320

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 CSElisted 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, the Company impaired this property by $300,000.

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.

5. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties - continued

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 three months ended March 31, 2016) 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.

During the year ended December 31, 2015, the Company recorded an impairment of $620,845 on the property.

xiv) Ballard Lake Gold Property

On February 27, 2012, the Company entered into an option to purchase a 100% interest in and to the Ballard Lake Gold Property, located in Ontario, Canada. The agreement was accepted by the TSX-V on May 23, 2012.

The Company will pay the vendors cash considerations as follows:

i) $5,000 on signing of the agreement (paid);
ii) $10,000 on May 23, 2013 (paid) ; and
iii) $15,000 on May 23, 2014 (see below).

The Company will issue common shares to the vendors as follows:

i) 33,333 common shares on TSX-V acceptance of the agreement (issued);
ii) 33,333 common shares on May 23, 2013 (issued); and
iii) 33,333 common shares on May 23, 2014 (issued).

The Vendors will retain a 2% NSR on the property; of which 1% can be purchased by the Company for $1,000,000.

On July 8, 2014, the Company received approval to amend the Ballard Lake Gold Property Acquisition Agreement dated March 25, 2012 between the Company and Mike and Mathieu Tremblay (the "Vendors") whereby in lieu of the final payment of $15,000, the Company will issue 33,333 common shares (issued). On July 8, 2014, the Company issued 66,667 common shares to complete the required payments on the Ballard Lake Gold Property. As of that date the Company satisfied the terms of the agreement and earned its interest in the property.

5. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties - continued

xiv) Ballard Lake Gold Property - continued

On February 6, 2015, the Company entered into an option agreement with RT Minerals Corp. ("RT Minerals") whereby the Company has granted RT Minerals the option to acquire a 100% interest in the Ballard Lake Gold Property by issuing 4,000,000 common shares (received and fair valued at $60,000) to the Company. The agreement was accepted by the TSX-V on April 28, 2015. During the year ended December 31, 2015, the Company recorded a loss on the sale of the property of $77,868.

xv) 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.

On September 8, 2013, the Company entered into an agreement to grant Interconnect Ventures Corporation ("Interconnect") an option to acquire a 70% interest in the Donna Project. To earn this interest, Interconnect has agreed on the following:

Cash consideration of $100,000 to be paid:

- $25,000 upon the date of receipt of final acceptance by the Exchange, which was October 31, 2013 (received);
- $25,000 on or before October 31, 2014 (received);
- $25,000 on or before October 31, 2015; and
- $25,000 on or before October 31, 2016.

Issuance of 200,000 common shares as follows:

- 50,000 shares within 10 days of October 31, 2013; (received);
- 50,000 shares on or before October 31, 2014 (received);
- 50,000 shares on or before October 31, 2015; and
- 50,000 shares on or before October 31, 2016

Incur exploration expenditures totalling $600,000 on the Property as follows:

- $200,000 on or before October 31, 2014 (completed);
- $200,000 on or before October 31, 2015; and
- $200,000 on or before October 31, 2016.

Upon completion of the option agreement, a joint venture will be formed between the Company (30%) and Interconnect (70%) for the further development of the property, with Interconnect serving as the operator.

On October 30, 2015, Interconnect cancelled the option agreement.

5. EXPLORATION AND EVALUATION ASSETS - continued

Other Properties – continued

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.

6. EQUIPMENT

	Computer equipment $	**Field equipment $**	**Office equipment $**	**Total $**
Cost:				
Balance, December 31, 2014	-	-	-	-
Additions	6,183	16,640	14,536	37,359
Balance, March 31, 2016 and December 31, 2015	6,183	16,640	14,536	37,359
Accumulated amortization:				
Balance, December 31, 2014	-	-	-	-
Additions	498	894	781	2,173
Balance, December 31, 2015	498	894	781	2,173
Additions	426	797	688	1,901
Balance, March 31, 2016	924	1,691	1,469	4,084
Carrying amounts:				
Balance, December 31, 2015	**5,685**	**15,746**	**13,755**	**35,186**
Balance, March 31, 2016	**5,259**	**14,949**	**13,067**	**33,275**

7. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without nominal or par value.

b) Issued:

On September 25, 2015, the Company consolidated their outstanding shares on the basis of one post-consolidated share for every three pre-consolidated share. All share values referenced in these consolidated financial statements are post-consolidation. The total issued and outstanding shares of the Company at March 31, 2016 is 53,570,232 (December 31, 2015: 44,075,232 post-consolidated).

During the three months ended March 31, 2016:

i) On January 29, 2016, the Company closed the second tranche of it 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 160,457 finders' warrants exercisable at $0.10 per share for a period of 24 months from closing.

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

During the year ended December 31, 2015:

i) On March 24, 2015, the Company issued 29,392 common shares with a fair value of $4,850 in accordance with the acquisition agreement of the Black Birch Property.

ii) On March 24, 2015, the Company issued 186,667 common shares with a fair value of $30,800 in accordance with the acquisition agreement of the Athabasca Group of Properties.

iii) On June 8, 2015, the Company issued 266,667 common shares with a fair value of $28,000 in accordance with the acquisition agreement of the Carter Lake Property.

iv) On June 11, 2015, the Company issued 133,333 common shares with a fair value of $14,000 in accordance with the acquisition agreement of the South Pine Property.

v) On August 28, 2015, the Company issued 83,333 common shares with a fair value of $7,500 in accordance with the acquisition agreement on the 1333 Property.

vi) On August 28, 2015, the Company issued 166,667 common shares with a fair value of $15,000 in accordance with the acquisition agreement on the Anstag Property

vii) On September 25, 2015, the Company issued 15,868,875 common shares to the shareholders of Alpha (see Note 4) at fair value of $0.15 per share.

viii) On October 20, 2015, the Company issued 29,390 common shares with a fair value of $2,645 in accordance with the Black Birch Property agreement.

ix) On November 4, 2015, the Company issued 186,666 common shares with a fair value of $11,200 in accordance with the Athabasca Group of Properties agreement.

x) On December 1, 2015, the Company issued 125,000 common shares with a fair value of $7,500 in accordance with the Kelic Lake Property agreement

7. SHARE CAPITAL - continued

b) Issued: - continued

xi) On December 31, 2015 the Company closed a non-brokered private placement of 1,710,714 Flow-Through Units ("FT Units") at $0.07 per FT Unit and 580,000 Units ("Units") at $0.05 per Unit for total gross proceeds of $148,750 (with $17,107 being recognized as a liability for the 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. Each Unit consists of one flow-through common share and one non flow-through common share purchase warrant. Each whole share purchase warrant (a "Warrant") is exercisable until December 31, 2016 into one common share of the Company at a price of $0.10 per common share. The Company paid to finder's cash commissions totalling $9,200 and issued 142,857 finders Warrants at $0.10 per warrant shares exercisable until December 31, 2017.

c) Warrants:

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

	March 31, 2016		December 31, 2015	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of period	10,371,345	$ 0.63	7,993,139	$ 0.63
Expired	(3,138,396)	0.10	(327,702)	0.67
Issued	4,212,600	0.10	2,705,908	0.54
Balance, end of period	11,445,549	$ 0.27	10,371,345	$ 0.53

The following warrants were outstanding as at March 31, 2016:

Expiry Date	Exercise Price	Number of Warrants	Remaining Contractual Life (Years)
April 8, 2016**	$ 0.50	1,127,694*	0.02
December 8, 2016	$ 0.45	3,055,564	0.69
December 8, 2016	$ 0.30	368,888	0.69
December 8, 2016	$ 0.36	60,000	0.69
December 22, 2016	$ 0.45	1,042,589	0.73
December 31, 2016	$ 0.10	1,435,357	0.75
December 31, 2017	$ 0.10	142,857	1.75
January 29, 2018	$ 0.10	4,212,600	1.83
Total		11,445,549	
Weighted average remaining life of warrants outstanding			1.07

*Subsequently expired unexercised.

**On September 25, 2015, the Company assumed the warrants previously held by Alpha shareholders, with the number of warrants and the exercise prices adjusted to reflect the consideration received by the Alpha shareholders pursuant to the Transaction.

7. SHARE CAPITAL - continued

d) Warrants: - continued

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 2016, the Company issued a total of 17,600 (March 31, 2015 – nil) agents warrants. During the three months ended March 31 2016, the agent's warrants granted resulted in share issue costs of $584 (March 31, 2015 - $nil).

	March 31, 2016	March 31, 2015
Expected life	2 years	N/A
Risk-free interest rate	0.42%	N/A
Annualized volatility	131%	N/A
Dividend rate	N/A	N/A
Fair value of shares at grant date	$0.03	N/A

8. 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 five years.

Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately. Options granted to investor relations and consultants vest in stages over 12 months with one quarter of the options vesting in any three month period. The following are the stock option grants during the three months ended March 31, 2016 and the year ended December 31, 2015:

- On September 25, 2015, the Company issued 3,725,000 incentive stock options exercisable at $0.10 per share and expiring on September 25, 2025 of which 2,700,000 options have been issued to directors and officers of the Company.
- On December 31, 2015, the Company issued 500,000 incentive stock options exercisable at $0.10 per share and expiring on December 31, 2025 to directors and officers of the Company.
- On March 15, 2016, granted 150,000 stock options at $0.10, expiring in 10 years to an Advisor to the Board of Directors.

8. SHARE-BASED PAYMENTS – continued

The following is a summary of option transactions under the Company's stock option plan for the three months ended March 31, 2016 and the year ended December 31, 2015:

	March 31, 2016		December 31, 2015	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	4,291,666	$ 0.33	1,640,000	$ 0.33
Cancelled	-	-	(1,573,334)	$ 0.33
Granted	150,000	$ 0.10	4,225,000	$ 0.10
Balance, end of period	4,441,666	$ 0.10	4,291,666	$ 0.10

The following stock options were outstanding and exercisable as at March 31, 2016:

Expiry Date	Exercise Price	Number of Options	Remaining Contractual Life (Years)
July 2, 2018	$ 0.30	33,333	2.26
August 25, 2019	$ 0.30	33,333	3.40
September 25, 2025	$ 0.10	3,725,000	9.49
December 31, 2025	$ 0.10	500,000	9.76
March 15, 2026	$ 0.10	150,000	9.96
Total		4,441,666	
Weighted average remaining life of stock options outstanding			9.44

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, 2016, the Company issued a total of 150,000 (March 31, 2015 – nil) incentive stock options to directors and consultants of the Company. During the three months ended March 31, 2016, the options issued and vested resulted in share-based payments of $10,245 (March 31, 2015 – $nil).

	March 31, 2016	March 31, 2015
Expected life	10 years	N/A
Risk-free interest rate	1.33%	N/A
Annualized volatility	110%	N/A
Dividend rate	N/A	N/A
Fair value of shares at grant date	$0.07	N/A

9. RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations during the three months ended March 31, 2016 and 2015.

Key Management Compensation		2016 $	2015 $
Jonathan Armes	Consulting fees	20,100	25,000
Sierd Eriks	Consulting fees	21,551	-
Sierd Eriks	Exploration and evaluation costs	3,610	-
Dahrouge Geological*	Consulting fees	6,168	18,414
Dahrouge Geological*	Exploration and evaluation costs	13,688	445,024
Directors and Officers	Share-based payments	10,245	-
Totals		75,362	488,438

*Owned by Jody Dahrouge, Director

Related party amounts are unsecured, non-interest bearing and due on demand. As at March 31, 2016, $33,294 (December 31, 2015 - $132,751) is due to related parties of the Company and is included in accounts payable and accrued liabilities.

10. 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.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

(c) Foreign exchange risk

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

(d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

10. FINANCIAL RISK MANAGEMENT– continued

(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 three months ended March 31, 2016 or the year ended December 31, 2015. 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, 2016 and December 31, 2015:

	As at March 31, 2016		
	Level 1	**Level 2**	**Level 3**
Cash	$ 852,136	$ -	$ -
Funds in trust	$ 432,048	$ -	$ -
Marketable securities	$ 149,889	$ -	$ -
Reclamation bond	$ 10,000	$ -	$ -
	$ 1,444,073	$ -	$ -

	As at December 31, 2015		
	Level 1	**Level 2**	**Level 3**
Cash	$ 977,407	$ -	$ -
Marketable securities	$ 134,565	$ -	$ -
Reclamation bond	$ 10,000	$ -	$ -
	$ 1,121,972	$ -	$ -

11. COMMITMENTS

On December 1, 2014, the Company entered into a management services agreement with Zimtu Capital Corp. ("Zimtu") for the provision of administrative and managerial services to the Company at a rate of $12,500 per month plus applicable taxes commencing December 1, 2014 for a term of 12 months. On December 1, 2015, the agreement was extended for an additional year.

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 three fiscal years are as follows:

	$
2016	37,170
2017	37,170
2018	37,170
	111,510

12. 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 March 20, 2014	Issued on December 8, 2014	Issued on December 22, 2014	Issued on December 31, 2015	Total
Balance, January 1, 2015	$ 255,813	$ 138,334	$ 73,680	$ -	$ 467,827
Liability incurred on flow-through shares issued	-	-	-	17,107	17,107
Settlement of flow-through share liability on incurring expenses	(255,813)	(135,206)	-	-	(391,019)
Balance, December 31, 2015	$ -	$ 3,128	$ 73,680	$ 17,107	$ 93,915
Transfer remaining flow-through liability to accrued liabilities	-	(3,128)	(73,680)	-	(76,808)
Settlement of flow-through share liability on incurring expenses	-	-	-	(8,949)	(8,949)
Balance, March 31, 2016	$ -	$ -	$ -	$ 8,158	$ 8,158

On March 20, 2014, the Company issued 1,961,667 units on a flow-through basis at $0.75 per share for gross proceeds of $1,471,250 and recognized a liability for flow-through shares of $353,100. All proceeds have been fully spent and renounced as at December 31, 2014.

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.

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 March 31, 2016, the Company has spent $62,646 of the flow-through funds and have reversed $8,949 of their flow-through liability.

During the three months ended March 31, 2016, the Company has incurred $62,646 (December 31, 2015 - $2,688,359) of qualified expenditures resulting in the reversal of the liability for flow-through shares and recorded the related net deferred tax effect of $8,949 (December 31, 2015 - $391,019). At March 31, 2016, the amount of flow-through proceeds remaining to be expended is $57,104 (December 31, 2015 - $119,750) and the balance of the liability for flow-through shares related to this private placement is $8,158 (December 31, 2015 - $93,915). 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.

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

		March 31, 2016		March 31, 2015
Interest paid	$	-	$	-
Income tax paid	$	-	$	-
Exploration and evaluation expenditures in accounts payable	$	190,046	$	377,592
Marketable securities received for property option payment	$	4,500	$	-
Warrants granted for finder's fees	$	584	$	-
Shares issued for property option payment	$	-	$	35,650

14. MARKETABLE SECURITIES

	March 31, 2016		December 31, 2015	
	Cost	Fair Market Value	Cost	Fair Market Value
	$	$	$	$
New Dimension Resources	12,000	11,429	7,500	1,929
Declan Resources	27,000	1,125	27,000	1,125
Takara Resources	15,000	52,500	15,000	52,500
RT Minerals	60,000	20,000	60,000	20,000
Canyon Copper	140	105	140	211
Uravan Minerals	72,520	56,230	76,020	51,800
Interconnect Ventures	7,000	8,500	7,000	7,000
Total	193,660	149,889	192,660	134,565

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 (see note 5). 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. During the three months ended March 31, 2016, 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 $0.08 as at March 31, 2016.

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 (see note 5). 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, 2016.

On December 30, 2014, the Company received 1,500,000 common shares of Takara Resources Inc. pursuant to the option to acquire a 50% interest in the Fond du Lac Property (see note 5). The 1,500,000 common shares were valued at $0.01 per share, the closing price of the shares on December 30, 2014. The market value of 1,500,000 common shares is measured using the closing market price of $0.035 as at March 31, 2016.

On April 28, 2015, the Company received 4,000,000 common shares of RT Minerals Corp. pursuant to the option to acquire a 100% interest in the Ballard Lake Property (see note 5). The 4,000,000 common shares were valued at $0.015 per share, the closing price of the shares on April 28, 2015. The market value of 4,000,000 common shares is measured using the closing market price of $0.005 as at March 31, 2016.

14. MARKETABLE SECURITIES - continued

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 $0.015 as at March 31, 2016. The market value of the 518,000 common shares of Uravan Minerals is measured using the closing market price of $0.11 as at March 31, 2016. The market value of the 100,000 common shares of Interconnect Ventures is measured using the closing market price of $0.085 as at March 31, 2016.

15. FUNDS HELD IN TRUST

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 will:

- Subscribe to 12,500,000 common shares of ALX for a price of $0.06 per share for gross proceeds of $750,000.
- Be granted by the Company the right for three years from closing of the private placement to participate in future financings for the next three years to maintain their pro-rata ownership interest in ALX.
- Appoint one representative to the Board of Directors of ALX, based on its intent to form a strategic funding partnership with ALX going forward.

During the three months ended March 31, 2016, the Company received the full $750,000 commitment from Holystone, to be held in trust with the Company's lawyer. Of the total, $318,000 was released to the Company upon the issuance of 5,300,000 common shares to Holystone (see note 7).

16. EVENTS AFTER THE REPORTING PERIOD

a) On April 8, 2016, 1,127,694 share purchase warrants priced at $0.50 expired unexercised.

b) 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 will issue an aggregate of 250,000 common shares at a deemed value of $0.115 per common share on the closing date. 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.

c) On May 5, 2016, the Company announced a non-brokered private placement for gross proceeds of up to $1,000,000. The private placement consists of up to 4,000,000 Flow-Through Units ("FT Units") at $0.125 per FT Unit and up to 5,000,000 ordinary Units ("Units") at $0.10 per Unit. 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 whole share purchase warrant (a "Warrant") is exercisable into one common share of the Company for a period of 18 months from closing at a price of $0.20 per common share. Each Unit consists of one common share and one Warrant. Each 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. Finders fees may be payable in connection with this private placement. All the securities issuable will be subject to a four-month hold period from the date of closing.

d) 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 $225,000. The Company paid finders fees of $5,688 and issued 52,500 warrants exercisable at $0.20 per share for a period of 18 months from closing.