



Management's Discussion and Analysis

For the year and quarter ended December 31, 2007

The following Management's Discussion and Analysis ("MD&A") relates to the financial condition and results of operations of Alexis Minerals Corporation ("we", "our", "us", "Alexis", or the "Company") for the year ended December 31, 2007 and should be read in conjunction with our Audited Annual Consolidated Financial Statements and related Notes as at and for the year ended December 31, 2007. The financial statements and related notes of Alexis have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Additional information, including our Annual Information Form dated February 19, 2007 and press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under our profile at www.sedar.com.

This MD&A reports our activities through March 10, 2007. All figures are in Canadian dollars unless otherwise indicated.

OVERVIEW OF THE COMPANY

Alexis is a mining exploration company listed on the Toronto Stock Exchange ('TSX'). The Company's primary focus is in Quebec. The Company is engaged, directly and indirectly through joint ventures, in the acquisition and exploration of mineral properties. Currently we have operations and strategic investments in the Abitibi District of Quebec, Canada, historically the 3rd richest gold producing region in the world. The Company has exploration properties as listed and described in the Company's Annual Information Form dated February 19, 2008 and as described in the Annual Audited Consolidated Financial Statements for the year ended December 31, 2007.

Highlights:

The Company

The activities of Alexis progressed well during 2007, with the accomplishment of most of the objectives planned for the year. Alexis is well positioned for exploration having acquired large, metal-rich land packages in two historically prolific mining camps in northwestern Quebec with significant historical databases, multiple deposit horizons and favorable geological settings for the discovery of additional mineral deposits. Alexis will continue to apply new technologies in exploration to "see" deeper, using new geological models, concepts and ideas with aggressive drilling of identified targets. Alexis is confident that this approach will result in the continuing generation of many new untested areas with new potential for individual deposits, deposit

trends and mining camps. Alexis continued to make significant progress during 2007 towards earning-into the Rouyn-Noranda Alexis-Xstrata Copper Joint Venture properties and the Central VMS properties in Val d'Or, vesting in both areas in Q1-2008.

A key milestone was achieved in August 2007 with Alexis graduating from the Toronto Venture Exchange (TSX-V) onto the Toronto Stock Exchange (TSX). This gives Alexis increased visibility to investors in Europe and North America since the TSX is recognized internationally as the premier exchange for resource stocks.

Another significant step in positioning the Company to successfully advance its strategy and expand operations was the enhancement of the senior management team. In September, 2007, Alexis appointed Keith Boyle as Executive Vice President and Chief Operating Officer. Mr. Boyle's extensive background, extending over 20 years in managing mine development in a variety of world class companies, will certainly benefit the senior management team strategically, as well as boosting the overall quality of Operations management. Additionally, early in 2008, Alexis appointed Bruce Barch as Vice President, Investor & Corporate Affairs. Mr. Barch brings an extensive corporate business background to Alexis Minerals having a career of over 25 years with RBC Royal Bank, where he most recently held an executive position. Mr. Barch has had exposure to many environments in a world class company – strategy development, sales management, customer service management, operations, and human resource management.

Development & Exploration Activities

2007 was a very busy year for Alexis on several fronts. New independent resource estimates for Lac Herbin were published in January and a Phase IV underground program initiated as recommended after completion of Phase I to III programs in 2006. A positive independent feasibility study was also reported in August on the project. In addition, a positive scoping study was reported in Q2-2007 on the Lac Pelletier Mine project in Rouyn-Noranda. Surface exploration continued throughout the regions of the Val d'Or and Rouyn-Noranda Mining Districts and a total of 75,133 metres of surface and underground drilling was completed on all projects during the year.

Lac Herbin

The Phase IV underground development and exploration program at the Lac Herbin Gold Project, Val d'Or, Québec was advanced according to schedule and a 50,000 ton (46,000 metric tonne) bulk sample was successfully mined and custom milled during Q4-2007. Twelve dore gold bars were recovered and 6,732 ounces of fine gold were credited to Alexis upon refining by the Royal Canadian Mint. The bulk sample was made up of approximately 20,000 tons of stockpiled, low grade development ore and approximately 30,000 tons of ore recovered in long-hole and room-and-pillar mining in three developed stoping areas.

During 2007 Alexis began to hire staff for an in-house mining team to support the phased-in take-over of mining operations from the underground contractor. All required mobile mining equipment was purchased or leased during Q3-Q4 2007 and, with the hiring of hourly employees in January 2008, an initial group of 74 employees (staff and hourly) completed the phase-in during January 2008. These steps, in conjunction with the completion of a permanent bridge over the Bourlamaque River, provide the basis for planned commercial production at Lac Herbin to commence during the second quarter of 2008. A production decision was unanimously approved by the Board of Directors in February 2008 upon presentation of a revised feasibility study incorporating Phase IV results and the bulk sampling program.

Table 1: Diamond Drilling by Project, Rouyn-Noranda and Val-d'Or Quebec, Q4 - 2007

Project	No. of holes	Targets	Metres
Val-d'Or	Underground		
Lac Herbin – Gold	8	Delineation & Exploration Drilling	920
	Surface		
Lac Herbin – Gold	13		1,664
Central VMS Properties - Base Metals	41		6,138
Val d'Or Sub-total	62	Val d'Or Sub-total Q4-2007	8,722
Rouyn-Noranda	Surface		
Alexis–Xstrata JV – Base Metals			
Iamgold/Wilco	1		713
Rouyn Sub-total	1	Rouyn Sub-total Q4- 2007	713
Total Q4 - 2007	63	Total Q4 - 2007	9,435

Table 2: Annual Diamond Drill Statistics, Rouyn-Noranda and Val-d'Or, Quebec

Project	2007 No. of holes	2007 (metres)	2006 (metres)	2005 (metres)	2004 (metres)
Val-d'Or	Underground				
Lac Herbin - Gold	214	30,857	37,820	N/A	N/A
	Surface				
Aurbel & other Gold	27	7,786	1301	4,028	17,601
Central VMS Properties - Base Metals	57	13,031	2279	13,016	20,730
Val d'Or Sub-totals	298	51,674	41,400	17,044	38,331
Rouyn-Noranda	Surface				
Alexis–Xstrata JV – Base Metals	27	15,867	17,640	53,741	18,310
Alexis - Gold	50	7,610	5,875	3,567	4,044
Rouyn Sub-totals	77	23,477	23,515	57,308	22,354
Grand Total	375	75,150	64,916	74,352	60,686

**Table 3: Mine Development and drilling Statistics 2006 – 2007,
Lac Herbin Gold Project, Val-d'Or Quebec.**

Development	Q1 - 2006 (metres)	Q2 - 2006 (metres)	Q3 - 2006 (metres)	Q4 - 2006 (metres)	Q1 - 2007 (metres)	Q2- 2007 (metres)	Q3- 2007 (metres)	Q4- 2007 (metres)	Totals 2006-07 (metres)
Ramp Access	445	204	0	72	298	45	0	22	1,086
Lateral Headings & Raises	125	418	619	410	480	783	999	320	4,154
Diamond Drilling	3,655	11,935	14,805	7,426	9,584	9,966	9,643	2,584	65,900

An additional 105.4 m of lateral development was completed within the room and pillar stopes on the Flat Swarm during Q4-2007

Ongoing exploration as part of our overall Mine Program also provided strong encouragement towards expanding gold resources at Lac Herbin with the extension of known zones and the discovery of new gold zones (S3, HW2 and HW4) throughout the year. An independent estimation of project Resources was published in January 2007 (see Press Release: January 11, 2007) and an independent Feasibility Study was published in August 2007 (see Press release: August 27, 2007). Diamond drilling totaled 28,079 m in 2007. The result was a new resource calculation in December 2007. This is summarized as follows (see *Press Release*: January 30, 2008):

- Measured and Indicated Resources of 894,552 metric tonnes grading 6.98 gAu/T or 200,611 ounces contained gold (oz.Au) using an upper cut-off factor of 34.29 gAu/T (1.0 ozAu/ton). This represents an 80% increase in tonnage from previous estimates.
- Additional Inferred Resource of 422,864 tonnes grading 5.85 gAu/T or 79,482 oz.Au;
- Inferred Resources continue to be converted to Indicated Resources at the rate of very close to 100%, underscoring the persistent and identifiable quality of mineralization;
- The new Measured and Indicated Resources provide support for an initial 3-year feasibility study and a 5-year Life of Mine model presented in a revised feasibility study in February 2008, (see *Press Release*: Feb. 20, 2008).
- Reconciliation of the Q4-2007 bulk sample (see *Press Release*: January 29, 2008) potentially supports the application of a higher cut-off grade. Using a 68.57 gAu/T (2.00 oz.Au/t) cut-off increases the grade of the Measured and Indicated Resources to 894,552 tonnes grading 8.42 gAu/T or 242,234 oz. contained gold and Inferred Resource to 422,864 tonnes grading 6.62 gAu/T or 90,035 oz. contained gold. This represents upside potential for up to a 20% increase in contained ounces of gold within the Resource.
- All zones remain wide-open at depth and to the west. Good exploration potential also occurs to the east on several of the zones in the deposit; and,
- Exploration targets on the 100 sq. km. Aurbel property have been recognized where repetition of the Lac Herbin environment may occur. Alexis will undertake a summer surface drill program on a 10 sq.km area targeted near the NEF gold showing.

With the Phase IV of the program of test mining and custom milling, the bulk sample program was completed in December, and 46,410 dry metric tonnes were processed, producing 6,732 oz. of gold. The reconciliation of the mill to mine results (*see Press Release: January 28, 2008*) resulted in the following positive results and conclusions:

- Strong ore continuity has been proven in all dimensions of the test stopes in the S1 and HW Zones.
- Indicated Resources significantly underestimate the gold content of subsequently mined and recovered mineralization.
- Gold recovered in milling confirms increases of 69% in S1 zone and 350% in the HW zone, **over and above** the gold content that would be estimated by the Indicated Resource method.
- Indicated Resources currently use a cut-off grade of 34.29 gAu/T (1.0 oz.Au/t), whereby all higher grade assays in the database are reduced to the cut-off grade in the Resource calculation. The Indicated Resource calculation provides a better estimate of gold content if the cut-off limit is raised to over 68.57 grams of gold per metric tonne (gAu/T) (2.00 ounces gold per short ton (oz.Au/t)).
- Indicated Resources form the largest category of Resources used in economic evaluations of the Lac Herbin Deposit. A 68.57 gAu/T cut-off applied to these Resources would have a very positive material impact on estimated deposit economics.
- Measured Resources provide a very good estimate of the gold content of mineralization in both the S1 and HW areas.
- Average Milling recoveries remain very high at 96.9%

This led to a need to revise our feasibility study published in August, 2007. We completed an internal Feasibility Study update with the following positive results, (*see Press Release: Feb. 20, 2008*):

- NPV (7%) of \$ 14.1 million with pre-production capital expenditures of \$6.7 million and IRR of 238% compared to previous feasibility results of NPV (7%) of \$4.5 million with capital expenditures of \$6.5 million and IRR of 48%. Au price used for the study was US\$850 in 2008-2009 and US\$750 in subsequent years, slightly below long term gold price averages of 10 mining analysts in Canada.
- 43-101 Proven and Probable Reserves increase 52% to 363,665 tonnes grading 7.33 g/t for 83,594 ounces recovered. An additional, large Resource base with good exploration potential will support further increases in Reserves as development and exploration of the deposit advances.
- Production plan supports annualized production of over 40,000 ounces per year at a cash cost of \$472/oz.Au (Foreign Exchange rate (Fx) of 1.0 USD/CAD)
- A revised Long Term Plan indicates NPV (7%) = \$25.9 million and IRR of 164% with pre-production capital expenditures of \$7.1 million and sustaining capital expenditures totaling \$13.4 million. Cash costs in this plan decrease to \$460/oz.Au and total costs are low compared with other deposits in the region, at \$596/oz.Au. The total costs of

production benefit from low capital cost depreciation and minimal interest charges against the project.

With the reconciled mill results and the updated feasibility study, a production decision was made for the Lac Herbin. Commercial Production should be attained in Q2-2008 and full production reached in Q4-2008.

Importantly, the environment of mineralization at the Lac Herbin project is now well understood. The character and controls on the deposit appear to resemble those at several of the larger gold deposits in the Val d'Or Mining Camp. The deposit can be explained using a Riedel Shear Model controlled by the regionally extensive east-west trending Ferdeber Shear, located to the south, and a major northeast shear, located to the west of the deposit. The deposit sits in the acute angled wedge of the Bourlamawque Batholith at the intersection of these regional shears and can be expected to extend to potentially kilometeric depths along with this shear intersection. As such the current extent of exploration, a maximum of 400 to 500 metres in current drilling in the Resource area, may represent a small proportion of the overall system. A program of 40,000 to 50,000 metres of drilling will be undertaken in 2008 to further delineate and explore the deposit. Long term potential is considered to be greater than one million ounces of gold with production extending over a period of at least 10 – 15 years. A key aspect of this mine is the generation of long term cash flows to support other Alexis initiatives.

Lac Pelletier Gold Project

The next most advanced initiative for Alexis is at the Lac Pelletier Gold Project, Rouyn-Noranda, Québec. Some delays have been encountered due to problems with construction, weather and access to power, resulting in this project being approximately nine months behind initial schedules. Planned for 2008, an internal feasibility study is in progress. All Certificates of Authorization have been received for dewatering of the exploration ramp, previously developed in 1992, and for an underground exploration and bulk sampling program. The underground contractor has been selected with the contract awarded to Dumas Mining. Alexis will pursue the project in 2008 with completion of site construction, mobilization of the contractor, dewatering of the ramp and a targeted 40,000 tonne bulk sample by Q4-2008. Alexis anticipates a positive production decision in 2008 and mine production in 2009.

Two programs of surface drilling were tendered and bid during Q1-2007 and a drill was mobilized in mid-May. Drilling initially focused on land based drilling on a near surface/ near ramp location where large scale tonnage potential is recognized in the junction area of zone 3 with zones 4-1 and 4-2. Additional barge based drilling has focused on expanding resources. 36 vertical holes (50 to 150 m each) for 3567.5m of drilling were completed. Barge-based drilling completed 14 holes for 4,042.2 metres. All the new results are integrated into the data base and reinterpretation of the mineralized zones was completed. A new resources calculation and planning for a bulk sample to be taken in 2008 is advancing.

A scoping study was completed by Golder (*see Press Release: April 19, 2007*) and published in April 2007. The study confirmed that the Lac Pelletier Deposit was potentially economic at the then current gold prices. The Scoping Study demonstrated that the Lac Pelletier Project has the potential to produce in excess of 40,000 ounces per year at a cash cost of US\$423 per ounce.

The report is based on an independent resource estimate prepared by Carl Pelletier, P.Geo., of Innovexplo Inc., Independent Qualified Person as defined under NI 43-101 guidelines (*see Press Release: August 31, 2006*). Measured & Indicated Resources for the project are currently 1,240,800 tonnes grading 5.42 grams gold per tonne (g Au/t) for approximately 217,000 ounces gold with an additional Inferred Resource of 491,000 tonnes grading 4.94 g Au/t for 78,029 ounces gold. Based upon the preliminary investigations of the economies of mining this Resource, Golder has recommended that steps be taken to advance the property towards a commercial production decision.

The study resulted in:

- Daily mining rate of 700 metric tonnes per day (252,000 tonnes/year)
- Capital costs estimated to be \$CDN4.03 million
- Sustaining Capital of \$CDN 4.5 million over a minimum 3-year mine life
- Operating costs estimated to be \$CDN77.55 per tonne
- Pre-production period of 6-months to bring the deposit into full production

Aurbel Gold Mill

Alexis owns a 100% interest in the 1400-TPD Aurbel gold mill. The mill and tailings are fully permitted and have been under care and maintenance since 1996. The mill is located one kilometer east of the portal to the Lac Herbin Mine and approximately 100 km from the Lac Pelletier project. The mill is centrally located on the 100 sq.km Aurbel property, central to the Alexis Val d'Or properties and approximately 8km east of the town of Val d'Or. The mill

represents the central facility at which both Herbin and Pelletier ores will be processed. The mill has an independently assessed replacement value of \$36M.

During 2006 engineering studies were completed to evaluate the cost of refurbishing the mill into production. Metallurgical studies in 2007, as part of the Lac Herbin feasibility studies and the Lac Pelletier Scoping study, support conversion of the current gravity – flotation – cyanidation circuits, where only a portion of the mill feed passes through cyanidation; to a gravity – total cyanidation circuit. Test work indicated approximately a 5% improvement in overall gold recoveries with this change and a very short payback on the additional capital cost is anticipated. It is currently estimated that the cost of conversion to the gravity- total cyanidation approach, refurbishment of the mill and expansion of the permitted tailings pond, will be \$11.2 M. Tailings from both operations will be inert and pose no environmental hazards. It is estimated that the mill refurbishment would take 4 – 5 months.

Alexis monitors the status of the gold projects in development at Lac Herbin and Lac Pelletier and the availability of custom milling through available Custom Gold Mills in the Val d'Or area. A decision to approve the refurbishment of the Aurbel Mill will be taken as the economics dictate; balancing ore production, Reserves and Resources, capital costs, custom mill availability and Aurbel-operating versus custom milling costs. Alexis plans on custom milling ore in 2008 and will review mill refurbishment again later in 2008.

An Aurbel Gold Mill Closure Plan, a plan required under Quebec Ministry regulations, was resubmitted by Aur Resources in 2007 and is in final review. This plan will form the base case closure plan for a refurbished Aurbel Gold Mill.

Surface Exploration

In early **January, 2008**, Alexis Minerals vested into a 50% interest in properties covering approximately 786 sq.km. of the Rouyn-Noranda Mining District. The property package covers approximately 70% of prospective ground over the prolific Central Mining Camp of the Rouyn-Noranda District and its extension into the surrounding Archean Blake River Group of metavolcanic rocks. The area has a long history of discovery and production for both base metals and gold, with historical production of 2.4 million tonnes (Mt) Copper (Cu), 1.9 Mt Zinc (Zn), 19.5 million ounces (M oz.) gold (Au) and 94.4 M oz. Silver (Ag). The properties cover the former producing Horne, Quemont, Ansil, Corbet, Gallen, Waite, East Waite, Waite Amulet and Newbec Deposits; the West Ansil deposit discovered during the option period; as well as numerous showings and occurrences.

In the Val d'Or area, Alexis owns a 100% interest on the Aurbel property, which covers approximately 100 sq.km of the Bourlamaque Batholith and includes the past-producing Ferdeber and Dumont gold deposits. Alexis also maintains an option to acquire all Aur Resources Inc.'s ("AUR") interests in 17 contiguous, gold and base metal properties in the central area of the Val-d'Or Camp, subject to certain NSR royalties. Alexis will vest in the option agreement in **March 2008**. These land holdings cover a 25 km strike extension, and 109 sq. km of, the prospective Val-d'Or Formation. Two properties within the package, the Louvex and Bonnefond properties, are operated by Alexis under the terms of the Louvaur Joint Venture. Alexis is earning into AUR's 55% interest in this JV and Xstrata Copper, the joint venture partner in this area is in mandatory dilution, having elected in January 2007 not to fund their proportion of exploration costs within the joint venture. The Val d'Or property area is favourable for both gold and base metal exploration and discovery, and hosts eight past-producing gold and base metal mines. Historical production from the Camp is 0.7 million tonnes (Mt) of copper, 0.7 Mt zinc, 18.4 Million ounces of gold and 50.0 M.oz of silver.

Vesting in both the Rouyn-Noranda and Val d'Or properties is a significant step for Alexis. Ownership of these areas now confirms Alexis as a significant long-term influence to mining and exploration in the Abitibi District.

Aggressive programs of surface exploration continued throughout 2007 for both gold and base metals. **Alexis completed 20,641 metres of surface drilling in Val d'Or and 23,769 metres in Rouyn-Noranda during 2007.** Drilling statistics are shown in tables 1 and 2.

Val d'Or

Exploration in 2007 focused on a variety of prospective targets. These targets are at various stages of development and evaluation. Exploration will continue during 2008. The 2007 work program included:

- **Deep base metal target P6 near the past-producing Louvicourt Mine**

Hole 17315-10C, was successfully completed in June at a hole depth of 2,779 m after passing through the Louvicourt mine stratigraphy and entering the Dunraine intrusion. The hole was drilled to test the down-plunge extension of a wide zone of intense alteration and stringer mineralization at a target (Target P6) interpreted to lie on the extension of the mine stratigraphy 1 km to the west of the Louvicourt Mine. The hole penetrated the area less than 85 m from the center of the proposed target, well within the range of down-hole geophysics. No massive sulphides were cut in the hole but the alteration trend and zones of strong sulphide-rich stringers were intersected between 2040 and 2375 m. Down-hole PulseEM surveys highlight several in-hole anomalies between 2020m and 2210m (stringers zones) but no off-hole anomaly was detected. A Magnetometric survey ("radtool") also suggests that there is no significant magnetic body (pyrrhotite and/or magnetite) in the vicinity (100-150m) of the hole. Completion of the full downhole survey was delayed due to delays in replacing the very long (broken) survey cable. The final survey was completed in January 2008. It highlighted four in-hole anomalies coincident with Cu-stringers zones and returned a large wavelength negative inflexion between 2000 and 2250m. This inflexion is potentially interpreted as an inverse coupling correlated with the large in-hole anomalies and not an off hole anomaly. Results from this hole are being incorporated into a revised geological interpretation of the area.

- **Deep Magnetotelluric and Titan24 Targets across the Val d'Or District**

25 deep targets have been generated from re-interpreted Magnetotelluric and Titan24 surveys in co-ordination with revised 3D Gocad modeling of the Camp. Many of these targets are on strike and west of the Louvicourt mine and Target P6. Drilling will test these in 2007 and 2008 and nine drill holes were completed in 2007. Results from the program to date are considered prospective, several holes have intersected mineralized chert and stringer and disseminated sulphides in a variety of volcanogenic massive sulphide settings. Re-interpretation of the geology of the area with the new drill information, geochemistry and stratigraphy is in progress. Deep drilling will continue through 2008 on these targets and a 2,000 metre long drill hole is currently in progress under the Louvem 4 Deposit, to the west of Louvicourt P6 Target.

- **Shallow, potential open-pit, low-grade Cu, Cu-Au and Au zones**

Ten targets across the Alexis properties, many with historically identified low grade Resources, were identified as prospective exploration targets during this period of elevated metal prices. The targets were tested in 2007 by trenching, mapping and a limited program of subsequent shallow drilling. Targets include the "D", South and Ezekiel zones (Beacon property), the Dunraine #2, #2W and #6 zones (Dunraine property), the Abitibi Copper showing (Abitibi property) and a gold showing located in the Bourlamaque batholith on the NW corner of the Beacon property.

2007 drilling focused on the "D" and South zones; Ezekiel zone; and, Dunraine #2 zone. Highlights of the 2007 program include:

- **Abitibi Copper:**

Grab samples grading up to 1.42% Cu and 2.04% Cu from stringers.

- **Dunraine:**

Grab samples grading up to 1.9 g/t Au and up to 8.32% Cu from stringers and semi-massive sulphides. Chip samples grading up to 0.92% Cu over 16,2 m; 0,8% Cu over 13,0m; and, 0,71% Cu over 11,4 m.

Drill hole intercepts include 0.68 %Cu / 9.0 m including 2.8 %Cu / 1.8 m in hole 17317-Z2-05; 0.53 %Cu / 19.5 m in hole 17317-Z2-12; 0.50 %Cu / 25.7 m including 2.70 %Cu / 2.5 m in hole 17317-Z2-13; 0.67 %Cu / 22.0 m including 2.21 %Cu / 4.5 m in hole 17317-Z2-14; and, 0.57 %Cu / 18.0 m including 1.10 %Cu / 3.1 m in hole 17317-Z2-16.

- **Beacon:**

Grab samples grading 8.4 and 35.0 g/t Au (Zone D) and drill hole intercepts of 0.86%Cu /19 m including 3.17%Cu / 2.1 m and 2.11%Cu / 2.3 m(Hole 17318-EZ-01), 0.80%Cu / 17.0 m, including 1.35%Cu / 8.6 m (Hole 17318-EZ-02) and 0.59%Cu / 27.0 m including 2.26%Cu / 3.1 m (hole 17318-EZ-04B) from the Ezekiel Zone. Grab samples from the Bourlamaque gold showing returned values up to 116.5 and 728.0 g/t Au and chip samples of 45.3 g/t Au over 1,5m and 6,9 g/t Au over 6,0m.

- **Westward Extension of Monique-type Gold Zones**

The **Bonnefond** property boundary lies within 200 metres of the western limit of mineralization on the adjacent property. 14 drill holes for 5,646 m were completed in Q1-2007 to test for a westward extension of the mineralization. Many of the holes intercepted decimetric to metric altered zones with quartz veining and minor sulphides. Visible gold was seen at two locations. Highlights of results from drilling include: 1.72 gAu/T over 3.0 m in hole 17315-11; 14.5 gAu/T over 0.95 m and 2.30 gAu/T over 7.3 m in hole 17315-14; 1.16 gAu/T over 10.5 m in hole 17315-16; 3.11 gAu/T over 3.8 in hole 17315-20; and 4.29 gAu/t over 1.2m in hole 17315-21.

- **Langlade, Quebec**

Alexis entered into an option to acquire 24 claims two kilometers west of Lac Herbin from Cambior Resources Inc.(Iamgold) (20%) and Resource Orient Inc. (80%) in July 2004. 3 holes (975 m) were drilled on the property during Q1-2007 to test interpreted shear zones. Results were disappointing and no significant gold zone was identified. Alexis has vested into a 100% interest in the property and additional work will be dependent upon on further success at Lac Herbin and the identification of mineralized structures at depth on the property.

Rouyn-Noranda

- **Xstrata Copper Canada – Alexis Joint Venture**

New target areas continue to be developed throughout the joint venture properties. During 2007, twenty seven drill holes for 16,159 metres of drilling were completed across the area. Programs tested the historical Au-Zn zones west of the Horne Mine (Horne West Zone); where encouraging base metal discoveries were made in December 2006 at the Iamgold/Pinkos and Baie D'Alembert properties; "Wilco Spiral", 4 km southeast of the Horne deposit where alteration in Horne-type stratigraphy was identified for the first time outside the immediate area of the Horne Mine; in follow-up drilling to evaluate off-hole geophysical anomalies detected in the Wilco Spiral area of drilling; in the Montbray-Four Corners area to test geological targets at the Montbray Rhyodacite contact (which hosts the Montbray 2004 Massive Sulphide discovery); as well as on MegaTEM anomalies in Joannes, Clericy and Dasserat townships.

Additional target proposals were also developed in 2007 for continued drilling in 2008. The 2008 work program will focus on two principal areas, the Here project and Pinkos project. The Here Project lies immediately southeast of the Central Rouyn Camp, within an interpreted regional fold and is marked by major synvolcanic faults, alteration and local mineralization. The Pinkos project covers the strike extension of the Cyprus Rhyolite Contact, the favourable stratigraphic contact which hosts the Pinkos/Iamgold zinc-rich massive sulphide discovery (December 2006). This contact was surveyed during 2007 using the deep penetrating Titan24 method and five targets were identified at depths of 500 to 800 metres below surface. Drilling has been initiated on these Pinkos targets in Q1-2008.

A drilling proposal totaling approximately 7,500 metres has been proposed to test the best targets on the Here Fault and the Pinkos projects during 2008. Approximately 4,000 meters also remains to be drilled from the approved 2006 and 2007 programs.

- **Research Projects**

Several research projects have been initiated in the Rouyn-Noranda area of Blake River Formation. Projects include one Bsc, three MSc and one PhD studies. Additional complimentary research by a powerful team including researchers from the GSC, the MRNQ and four Universities with significant industry input will be advanced over the next three years. Projects include studies of the West Zone, carbonate alteration in the Pinkos area, and the West Ansil massive sulphide deposit. Both of the West Zone and Carbonate studies were advanced during 2007. The B.Sc. Honours thesis will be undertaken on sulphide mineralization associated with carbonate alteration. A detailed carbonate study in the Delbridge-Deldona area is being undertaken in concert with the carbonate research in the Pinkos area. Mr. Wulf Mueller, UQAC initiated work to advance a multi-caldera model within the Blake River Group as proposed by the Consorem during previous years. Boundaries of Mega-Calderas are considered as highly favourable for hosting major gold bearing base metal deposits.

The research is multi-faceted including U-Pb geochronology, deposit studies, gravity modeling, alteration and stratigraphic studies, structural and 3D modeling, oxygen isotopes, metallogeny and physical volcanology through the region. The research is partially supported, financially and technically, by industry and specifically Alexis and Xstrata Copper. Research topics have direct input into long term exploration and discovery throughout the JV properties.

Two MSc and one PhD Research projects have also been initiated in the Val d'Or area.

Technical Reporting

Technical programs and information included in this report has been supervised, compiled and/or reviewed and approved by Qualified Persons as defined under NI 43-101:

Qualified Person (Geology)

Olivier Grondin, P.Geo.
Patrick Sevigny, P.Eng. Mine Manager
Keith Boyle, P.Eng.
Denys Vermette, M. Sc. P. Geo.
Louis Martin, P.Geo., Xstrata Copper Canada
Claude Gobeil, P.Geo..
Jean Girard, P.Eng.
Francois Chabot, P.Eng , Golder

Project Responsibility

Lac Herbin and Aurbel, Geology
Lac Herbin Engineering and Mining
Lac Pelletier Engineering and Mining
Val-d'Or Central VMS
Rouyn-Noranda, Base Metals
Resource Estimates
Rouyn-Noranda, Gold and Lac Pelletier
Lac Herbin Feasibility Study

Development and Exploration Properties:

Val-d'Or Properties, Quebec:

- **Aurbel**

The Company owns a vested, 100% interest on the Aurbel property, which covers 431 claims, 4 mining leases and one surface lease in the Bourlamaque, Senneville, and Louvicourt Townships, Quebec. The Aurbel Gold Mill is centrally-located on the property and is capable of processing 1400 metric tonnes per day. The mill has been on care and maintenance since 1996. An application for a Mining Lease over the area of the Lac Herbin Deposit was made in January 2007. The lease application has been advanced and is expected to be received in Q2-2008. All other permitting in support of a production decision was in place in Q1-2008.

- **Central VMS Properties**

The Company is in good standing on its option agreement to acquire all Aur Resources Inc.'s ("AUR") interests in 17 gold and base metal properties in the central area of the Val-d'Or Camp, subject to certain NSR royalties. The land holdings cover a 25 km strike extension and 109 sq. km of the prospective Val-d'Or Formation. Two properties within the package, the Louvex and Bonfond properties, are operated by Alexis under the terms of the Louvaur Joint Venture. Alexis is earning into AUR's 55% interest in the JV. Novicourt's 45% interest in the Louvaur Joint Venture was acquired by Falconbridge and subsequently Xstrata Copper. In January 2007, Xstrata elected not to fund additional exploration expenditures and Xstrata interests will now undergo mandatory dilution.

- **Langlade, Quebec**

In July 2004, the Company entered into an agreement to option 24 claims from Cambior Inc. (20%) and Resource Orient Inc. (80%), in Bourlamaque Township, Val-d'Or Quebec. The Company completed a winter work program during Q1-2007 and has vested in the property.

Rouyn-Noranda Properties, Quebec

- **Lac Pelletier Property**

The Company is in good standing on an option agreement with Thundermin Resources Inc. [TSX: THR] ("Thundermin") made in September 2005. Alexis can acquire a 100% interest over a 3-year option agreement in the Lac Pelletier property, 35 claims and 2 mining concessions covering 722.6 hectares located 4 km southwest of the town of Rouyn-Noranda. The property is within trucking distance of the Aurbel gold mill in Val-d'Or

- **Xstrata Copper Canada – Alexis Joint Venture**

In January 2008 Alexis vested its option to acquire from Falconbridge Ltd. (now Xstrata Copper Canada) ("Xstrata Copper") a 50% interest in all of Xstrata Copper's properties in the prospective Rouyn-Noranda Base Metal and Gold Camp, Quebec, with the exception of those parts of the Properties containing areas where Xstrata Copper performed prior mining operations ("Restricted Properties"), and subject to underlying agreements with third parties.. The land position covers mineral rights, mining claims and mining concessions over an area of approximately 786 sq. km. within the Blake River Group, Southern Abitibi District, Quebec. Alexis will have no current or future environmental liabilities from previous work or mining activities related to Xstrata Copper's prior work on the Restricted Properties, except to the extent that such environmental liabilities were caused or amplified, in whole or in part, by Xstrata Copper, in its role as operator in the agreement with Alexis or by Alexis during its activities on the properties. A 50% beneficial interest in all minerals located on, or in, Restricted Properties will be subject to the joint venture agreement.

Financial Information:

Significant Accounting Policies

The Company's significant accounting policies are subject to estimates and, key judgments about future events, many of which are beyond management's control. A detailed summary of the Company's significant accounting policies is included in note 2 of the Company's Annual Audited Consolidated Financial Statements for the year ended December 31, 2007.

ACCOUNTING CHANGES

a) Changes in accounting policies

On January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountant ("CICA") Handbook Sections 1530, *Comprehensive Income*; Section 3251, *Equity*; Section 3855, *Financial Instruments - Recognition and Measurement*; Section 3861, *Financial Instruments - Disclosure and Presentation*; and Section 3865, *Hedges*.

Financial Instruments

Under the new standards, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as "held-for-trading", "available-for-sale" financial assets, "held-to-maturity", "loans and receivables", or "other" financial liabilities. Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period. Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet. Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method. Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period, unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

Other significant accounting implications arising upon the adoption of the financial instrument standards includes the use of the effective interest method of amortization for any transaction costs or fees, premiums or discounts earned or incurred for financial instruments measured at amortized cost. On transition, financing costs, which were previously recognized as deferred transaction costs, were reclassified to their related financial liabilities. As a result, on transition, the Company recorded a net decrease in deferred financing charges and a corresponding decrease in the liability component of the convertible debenture of \$277,004.

Comprehensive Income

Section 1530 establishes standards for reporting and presenting comprehensive income. Comprehensive income, composed of net income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income for the Company includes unrealized gains and losses on available-for-sale securities and changes in the fair market value of derivatives designated as cash flow hedges, all net of related income taxes. The components of comprehensive income are disclosed in the statement of operations and comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income ("AOCI") which is presented as a new category in shareholders' equity.

The application of this new standard has had no impact on the Company's financial statements as at and for the year ended December 31, 2007, and as such, a statement of comprehensive income has not been included in these financial statements.

Hedging

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at and during the year ended December 31, 2007, the Company had no hedges.

b) Future accounting changes

On December 1, 2006, the CICA issued three new accounting standards: Handbook Section 1535, Capital Disclosures, Handbook Section 3862, Financial Instruments – Disclosures, and Handbook Section 3863, Financial Instruments – Presentation. These standards are effective for interim and annual consolidated financial statements for the Company's reporting period beginning on January 1, 2008.

Capital Disclosures

Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

Financial Instruments – Disclosures and Presentation

The new Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments — Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how a company manages those risks. The Company is currently assessing the impact of these new accounting standards on its consolidated financial statements.

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The Company continues to monitor and assess the impact of convergence of Canada GAAP and IFRS.

Liquidity and Capital Resources

As at December 31, 2007, the Company had working capital of \$14,004,735 compared to working capital of \$4,551,498 at December 31, 2006. Cash appropriated for exploration expenditures of \$530,034 (2006: \$133,421) as well as deposits and advances related to exploration have been classified as long term assets in order to match them with the long term exploration expenditures they will support.

The Company applies for refundable tax credits to certain Quebec government bodies at each taxation year end and records the expected amounts as an amount receivable. During the current year, the Company received \$385,291 in assistance relating to the five month period ending December 31, 2005, and \$5,252,260 related to the December 31, 2006 year end. An

additional amount of \$1,170,503 in assistance is expected to be received in early 2008 relating to the year ended December 31, 2006. For the year ended December 31, 2007, the Company has recorded an additional \$10,884,123 in assistance. The Company will apply for this in early 2008.

In July 2006, the Company signed a short-term demand loan agreement with a major Canadian chartered bank for a non-revolving demand loan of up to \$3.6M secured against anticipated 2006 Quebec government assistance. A total of \$3,589,625 was advanced to the Company through January 2007. This loan was fully repaid with the government assistance received in October 2007. A loan guarantee was received from Investissement Quebec to support this loan. Investissement Quebec charged a fee of 3%, or \$108,360, to provide the guarantee. This fee was paid in June 2006 and was amortized over the term of the loan. The bank advanced funds against this loan guarantee at an interest rate of Prime plus 1%. Interest of \$192,486 has been charged for the year ending December 31, 2007 relating to the loan.

In December 2007, the Company signed another short-term demand loan agreement with two major Canadian chartered banks for non-revolving demand loans of up to \$5.9M. These loans are secured against the anticipated 2007 Quebec government assistance as described above. A loan guarantee was received again from Investissement Quebec to support the loans and a fee of 3%, or \$177,600, was charged. This fee was paid in December 2007 and will be amortized over the term of the loan. The banks have advanced \$5,345,688 at an interest rate of Prime plus 0.75%. In accordance with the loan guarantee provided by Investissement Quebec, the bank had held back a total of \$150,000 of the loan. This amount is invested in a Guaranteed Investment Certificate ("GIC") in the name of the Company.

In February 2007, the Company completed a brokered private placement through the issuance of 25,000,000 units of the Company, including 5,000,000 units issued upon exercise of the underwriters' option, at a price of \$1.00 per unit for gross proceeds of \$25 million. Each unit consists of one common share of the Company and one half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$1.35 until February 13, 2009. In connection with the private placement, the syndicate of underwriters received a cash commission of 6% of the gross proceeds raised.

During the year ended December 31, 2007, 3,009,616 warrants and 1,371,000 options were exercised for gross proceeds of \$3,491,397.

The Company has and will utilize its working capital to meet exploration funding obligations as described under the Significant Future Obligations section of this report, and to bring its two gold projects Lac Herbin and Lac Pelletier into development and to fund its corporate overheads.

Significant Future Obligations

The Company has entered into several agreements to fund exploration on certain properties as follows:

Val d'Or

- **Aurbel (including Lac Herbin and Aurbel Gold Mill)**

The Company exceeded contractual exploration commitments to complete the acquisition of a 50% interest in the Aurbel properties from Aur Resources Inc. ("AUR") during 2006. Alexis elected to purchase the remaining 50% interest in the Aurbel property with the payment of \$2,000,000 and an additional cash payment of \$1,000,000 to purchase the 1400 tonne-per-day Aurbel Gold Mill. Due diligence environmental assessment reviews and an engineering review for re-commissioning of the plant were completed during 2006. The transaction closed during Q3-2006 and a partial payment of \$500,000 against a \$1,000,000 hold-back was paid upon successful submission by AUR of the Aurbel Closure Plan to the respective Quebec Mining Authorities. The final with-held payment of \$500,000 is expected to be made in 2008 upon acceptance by the authorities of the closure plan.

- **Central VMS Properties**

The Company is in good standing on its option agreement to acquire all Aur Resources Inc. ("AUR") interests in 17 gold and base metal properties in the central area of the Val d'Or Camp, subject to NSR royalties. The Company has well exceeded its \$4M exploration expenditure commitment as at December 31, 2007 and will be making a \$1.0M cash payment due March 31, 2008 to vest in the properties.

- **Langlade, Quebec**

In July 2004, the Company entered into an agreement on 24 claims from Cambior Resources Inc. (20%) and Resource Orient Inc. (80%), in Bourlamaque Township, Val-d'Or Quebec. The Company was required to spend \$100,000 in exploration on the properties by March 31, 2007. A winter drilling program was completed in Q1-2007 and the Company met its expenditure commitment during the first quarter of the year, vesting into its interest in this option.

Val d'Or Office Purchase

The Company purchased the Val d'Or office from Aur Resources Inc. in July 2006 for \$550,000, with a cash payment of \$100,000 and a commitment to pay the balance in monthly installments of \$10,000 over 45 months. The commitment has been recorded as long term debt discounted at a rate of 6.28%.

Rouyn-Noranda

- **Lac Pelletier Property Acquisition**

The Company has invested a total of \$2.4 in the Lac Pelletier property to date, in excess of the required \$1,000,000 option work commitment required to earn its 100% interest. Alexis can earn its 100% interest by bringing the deposit into production prior to December 2008 or make a small cash payment to extend this timeframe to December 2009.

- **Rouyn-Noranda Properties, Quebec**

Subsequent to the end of the year, Alexis vested in its option to acquire from Falconbridge Ltd. (now Xstrata Copper Canada) ("Xstrata Copper") a 50% interest in all of Xstrata Copper's properties in the prospective Rouyn-Noranda Base Metal and Gold Camp, Quebec. The Company will contribute equally to future expenditures to pursue further exploration and development of the properties in the 50/50 joint venture.

Results of Operations

For the year ended December 31, 2007:

The net loss for the year ended December 31, 2007 was \$1,754,657 compared to a loss of \$1,396,695 for the comparative year ended December 31, 2006.

A recovery was recognized for the year ended December 31, 2007 as a result of a future income taxes of \$2,675,000. The Company recognized \$594,000 during the prior year.

Stock based compensation is a non-cash expense included in Professional, consulting and management costs. The Company applies the fair value method of accounting for stock-based compensation. During 2007, 4,185,000 stock options were granted to directors, officers, employees and consultants of the Company resulting in \$1,741,970 in stock based compensation expense recorded to the Statement of Operations and \$506,345 charged to deferred project costs. For the comparative year ended December 31, 2006, 937,500 stock options were granted resulting in a charge to operations of \$164,320 and a charge to deferred project costs of \$135,455. Upon removing this non-cash item, net loss before taxes increased by \$861,312, from \$1,826,375 to \$2,687,687. Costs were higher in most expense categories for 2007. The Company is growing and moving towards production. The team achieved several milestones including graduation to the TSX, a positive independent feasibility study on Lac Herbin and a positive scoping study on Lac Pelletier as well as completing over 75,000 meters of surface and underground drilling. There is also a very competitive environment related to attracting and maintaining staff which requires the Company to provide bonuses and stock based compensation awards.

Professional, consulting and management costs increased by \$722,251 net of stock based compensation expense primarily as a result of performance bonuses awarded to management, employees and consultants during the year as described above. As well, legal fees increased as a result of legal action against the Company as described in the Commitments and Contingencies section of this report.

Shareholder communications and travel costs combined increased by \$210,188 in 2007 compared to the prior year. Approximately \$130,000 of this increase is related to listing and filing fees as the Company graduated to the TSX. In 2007, the Company also sponsored a regional Quebec clean up campaign covering old mine or exploration sites across northern Quebec. Lastly, during 2007 the Company hired an investor relations consultant in the US.

Other interest, accretion and finance costs increased by \$116,299 for the current year compared to the prior year as a result of the demand loan agreement. Portions of the demand loan facility were drawn down during 2006 while substantially the entire \$3.6 million facility was drawn down through most of 2007, incurring interest. This loan was repaid in October 2007.

Long-term interest, accretion and finance costs increased by \$291,385 compared to the prior year. Most of these costs relate to the convertible debenture agreements that were entered into in April 2006. Twelve months of expense was recognized during 2007. Interest payments on the convertible debenture were made through the issuance of common shares of the Company at the option of the Company and as such this expense is a non-cash expense.

Offsetting these cost increases, interest income increased over the year by \$484,133 as a result of increased cash balances held throughout the year. The Company invests its excess

cash primarily in bankers' acceptances. The Company held large cash balances as a result of a private placement completed during the first quarter of the year as described above.

For the quarter ended December 31, 2007:

The net income for the quarter ended December 31, 2007 was \$1,945,592 compared to net income of \$83,544 for the comparative quarter ended December 31, 2006.

Net income was recognized during the quarter ended December 31, 2007 as a result of a future income tax recovery of \$2,675,000. The future income tax recovery booked during the quarter ended December 31, 2006 was \$594,000. Upon eliminating the future income tax recoveries, the net loss for the quarter ended December 31, 2007 was \$729,409 compared to \$510,456 for the quarter ended December 31, 2006, a difference of \$218,953.

Professional, consulting and management fees increased by \$194,379 during the fourth quarter of 2007 compared to the fourth quarter of 2006 primarily as a result of annual bonuses awarded to management and consultants of the Company as previously discussed. Legal fees were also higher during the current quarter as a result of the pending legal action taken against the Company, as discussed under the Commitments and Contingencies section of this report.

Shareholder communications and travel costs combined increased by over \$70,000 during the current quarter compared to the prior year's quarter as a result of analysts trips for US investors during the quarter, as well as the Company's participation in annual promotional events and trade show conferences that took place later in the year during 2007.

Other costs decreased during the quarter such as interest expense. The Company repaid the demand loan during October 2007 and as a result very little interest expense was incurred during the current year's quarter compared to the prior year. As well, loan engagement fees were fully amortized earlier in 2007, consequently no expense was recorded during the fourth quarter of 2007 compared to the fourth quarter of 2006.

During the fourth quarter of 2007, the Company earned \$69,973 in interest income on its cash balances held compared to \$7,498 earned during the comparative quarter in 2006, for an increase in interest earned of \$62,475.

Quarterly information

The quarterly results have been as follows (Tabular amounts in \$000 except for per share amounts):

Summary Financial Information for the Eight Quarters Ended December 31, 2007

Period	Revenues	Total assets	Net Income (Loss)	Net Income (Loss) per Share	Long term liabilities
4 th Quarter 2007	Nil	71,305	1,945	0.02	6,006
3 rd Quarter 2007	Nil	68,475	(2,112)	(0.02)	8,505
2 nd Quarter 2007	Nil	68,975	(592)	(0.01)	8,228
1 st Quarter 2007	Nil	65,892	(996)	(0.01)	8,140
4 th Quarter 2006	Nil	40,565	83	0.00	6,743
3 rd Quarter 2006	Nil	37,098	(516)	(0.01)	7,302
2 nd Quarter 2006	Nil	33,414	(548)	(0.01)	6,973
1 st Quarter 2006	Nil	28,599	(416)	(0.01)	4,064

As the Company has no revenue at this point in time, the net income or loss results primarily from corporate overheads including stock based compensation, the write-off of exploration properties, and interest expense and other financing charges related to the convertible debentures and short term loans. Income is generated through interest earned on bankers acceptance investments and future income tax recoveries. Stock based compensation is a non-cash expense representing an estimate of the fair value of options granted to directors, officers, employees and consultants of the Company calculated by applying the Black Scholes option pricing model. Future tax recoveries during the periods ending December 31, 2006 relating to the anticipated renunciation of flow through shares primarily contributed to the net income for this period. The sharp increase in net loss during the third quarter of 2007 resulted from stock based compensation expense of \$1,666,000 charged to operations. The net income in Q4 2007 resulted primarily from a future income tax recovery of \$2,675,000 as previously discussed

The general trend in increasing assets has resulted from the Company raising funds through private placements and investing in its exploration properties in Quebec.

Fluctuations in future tax liabilities create fluctuations in Long term liabilities. The long term liability recognized during the second quarter of 2006 is a result of the liability portion of the convertible debentures issued in May 2006. During the third quarter of 2006, long term liabilities increased as a result of the purchase of the Val d'Or office. During the fourth quarter of 2006, the Company recorded a reduction in its future tax liability of \$594,000 and also recognized an asset retirement obligation of \$423,000 related to the Aurbel Mill purchased during the year. With the renunciation of flow through shares raised during 2006 in February 2007, the future income tax liability increased by \$1,315,000 during Q1-2007. During the third and fourth quarters of 2007, the Company entered into capital lease agreements for up to 48 months to purchase exploration equipment, resulting in increased long term liabilities for those quarters.

Annual information

The annual results have been as follows: (Tabular amounts in \$000 except for per share amounts):

	<u>2007</u> December 31 Twelve months	<u>2006</u> December 31 Twelve months	<u>2005</u> December 31 Five months
Net income (loss)	(1,755)	(1,397)	1,198
Income (loss) per share, basic and fully diluted	(0.02)	(0.02)	0.02
Total assets	71,305	40,565	28,444
Total long term liabilities	6,006	6,743	412

During the five months ended December 31, 2005, the Company recorded a future income tax recovery of \$1,717,000 which generated income for the transition period. During the twelve months ended December 31, 2007, the Company recorded a future income tax recovery of \$2,675,000 as well as stock based compensation expense of \$1,741,970. During 2005, the Company changed its year end from July 31 to December 31, consequently the year ended December 31, 2005 represents five months only.

Cash Flows

Cash used in operating activities for the year ended December 31, 2007 was \$8,284,278 compared to \$1,243,795 for the year ended December 31, 2006. Administrative expenses and interest income used \$1,996,008 during 2007 compared to \$1,371,936 used 2006. Non-cash working capital used \$6,288,270 during the current year under review compared to a source of \$128,141 for the year ended December 31, 2006.

Cash provided by financing activities was \$28,744,250 during the year ended December 31, 2007 compared to \$11,361,727 during the year ended December 31, 2006. The Company participated in a private placement financing during the first quarter of 2007 generating cash proceeds, net of financing costs, of \$23,284,177 as discussed in the Liquidity and Capital Resources section of this report. During the comparative year, the Company raised \$3,387,045 in net cash proceeds from private placements. As well, during the prior year, the Company raised net cash proceeds of \$3,837,095 through the issuance of convertible debentures. Warrants and options were exercised throughout the current year generating \$3,491,397 in cash proceeds compared to \$873,422 during the comparative year ended December 31, 2006. The Company drew down \$556,953 in early 2007 and \$5,345,688 in late 2007 from the demand loan facility, paying back \$3,589,625 in October 2007. The Company incurred \$202,600 in loan engagement fees relating to the demand loan facility. As well, the Company made cash payments of \$120,000 during the year against the \$400,000 long term debt incurred on the purchase of the Val d'Or office in Quebec, compared to \$50,000 during the prior year. Finally, the Company made loan payments of \$21,740 during the current year compared to \$nil during the prior year for equipment financings.

Cash from investing activities used \$17,400,961 during the year ended December 31, 2007 compared to \$8,935,940 during the year ended December 31, 2006. Expenditures on exploration interests, net of government assistance, used \$21,894,099 during the current year compared to \$18,194,355 used during the prior year. The Company received \$5,637,551 in accrued government assistance during the year ended December 31, 2007 compared to

\$6,256,707 during the prior year. Cash appropriated for exploration expenditures increased by \$396,613 during the current year as the Company funded the trust account held exclusively for Xstrata according to the terms of their agreement. In the prior year, cash appropriated for exploration expenditure decreased by \$2,581,980 as the Company drew down on those balances funding the exploration program operated by Xstrata. There was a net decrease of \$160,414 during the current year related to prepaid exploration expenditures and deposits and advances for exploration activities compared to an increase of \$168,912 during the prior year. Exploration accounts payable increased by \$2,684,550 during the current year compared to an increase of \$1,271,217 during the year ended December 31, 2006. The Company increased its restricted cash short – term investments during 2006 related to its secured demand loan and lastly, the Company used \$3,592,684 to fund equipment purchases during the year ended December 31, 2007 compared to \$532,577 during the prior year.

Cash expenditures on properties for the year ended December 31, 2007 was as follows:

	Rouyn	VMS	Audet	Aurbel	Lac Herbin	Queotish	Other	TOTAL
Acquisition and property costs	138,609	25,860	-	45,511	16,216	6,137	-	232,333
Drilling	2,393,249	2,240,396	-	91,214	1,754,435	-	-	6,479,294
Analysis and laboratory	103,641	97,255	-	3,193	103,153	-	36	307,278
Geology and scoping studies	508,636	129,566	-	241	36,859	-	-	675,302
Travel and transportation	24,793	10,342	-	14,446	39,117	-	566	89,264
Consulting and labour	545,308	407,560	-	384,334	950,760	-	4,854	2,292,816
Geochemistry and geophysics	344,873	130,946	-	600	-	-	-	476,419
Environmental	57,804	1,902	-	30,501	9,880	-	-	100,087
Engineering	-	-	-	-	156,843	-	-	156,843
Portal and ramp construction	-	-	-	-	987,658	-	-	987,658
Level ore development	-	-	-	-	6,314,560	-	-	6,314,560
Water waste and settling pond	-	-	-	-	119,381	-	-	119,381
Electrical work	-	-	-	-	868,785	-	-	868,785
Metallurgy and custom milling	3,200	-	-	-	57,482	-	-	60,682
Other surface development	-	-	-	-	1,068,435	-	-	1,068,435
Other underground development	-	-	-	-	4,936,134	-	-	4,936,134
Human resources	-	-	-	-	77,331	-	-	77,331
Mill refurbishment	-	-	-	-	16,259	-	-	16,259
Field and office support	246,112	303,619	-	218,647	139,439	-	-	907,817
Management fees	282,487	-	-	-	-	-	-	282,487
Rejected government assistance	22,982	3,278	-	821	7,711	-	-	34,792
Less: net gold sales from bulk sample	-	-	-	-	(4,589,858)	-	-	(4,589,858)
TOTAL CASH EXPENDITURES	4,671,694	3,350,724	-	789,508	13,070,580	6,137	5,456	21,894,099

Cash expenditures on properties for the year ended December 31, 2006 was as follows:

	Rouyn	VMS	Audet	Aurbel	Lac Herbin	Queotish	Other	TOTAL
Acquisition and property costs	113,027	13,928	129	78,689	1,988,513	-	-	2,194,286
Drilling	2,138,331	296,773	-	-	2,063,617	-	-	4,498,721
Analysis and laboratory	30,234	3,402	-	-	129,307	-	5	162,948
Geology and scoping studies	878,504	454	-	143	14,724	-	-	893,825
Travel and transportation	9,852	2,481	-	182	77,407	-	-	89,922
Consulting and labour	464,683	92,362	-	1,100	1,083,488	-	3,665	1,645,298
Geochemistry and geophysics	268,614	20,000	-	-	44,950	-	-	333,564
Environmental	6,919	1,494	-	14	24,042	-	-	32,469
Roads	-	-	-	-	84,266	-	-	84,266
Mobilization/demobilization	-	-	-	-	8,000	-	-	8,000
Site construction	-	-	-	-	117,421	-	-	117,421
Portal and ramp construction	-	-	-	-	2,025,123	-	-	2,025,123
Level ore development	-	-	-	-	3,781,471	-	-	3,781,471
Water waste and settling pond	-	-	-	-	106,902	-	-	106,902
Electrical work	-	-	-	-	376,136	-	-	376,136
Metallurgy and custom milling	600	-	-	-	163,995	-	-	164,595
Security	-	-	-	-	24,385	-	-	24,385
Other underground development	-	-	-	-	798,709	-	-	798,709
Human resources	-	-	-	-	14,147	-	-	14,147
Mill purchase and refurbishment	-	-	-	-	1,081,210	-	-	1,081,210
Field and office support	30,355	10,445	-	2,021	322,705	-	-	365,526
Management fees	141,532	(31,467)	-	-	-	-	-	110,065
Reclamation bond	-	-	-	-	3,695	-	-	3,695
Less: net gold sales from bulk sample	-	-	-	-	(718,329)	-	-	(718,329)
TOTAL CASH EXPENDITURES	4,082,651	409,872	129	82,149	13,615,884	-	3,670	18,194,355

Transactions with Related Parties

The Company was charged \$15,000 for the quarter and \$66,300 for the year ended December 31, 2007 (Q4 2006: \$18,000; 2006: \$76,500) by companies controlled by directors of the Company for administration and engineering services. An amount of \$143,985 is payable to directors or companies controlled by directors of the Company at December 31, 2007 (2006: \$6,573).

During the year ended December 31, 2007, 3,175,000 options were granted to directors and officers of the Company exercisable at a weighted average price of \$0.81 per share (2006: 425,000 at a price of \$0.415).

The Company shares its premises with other companies that have common directors and officers, and the Company reimburses the related companies for their proportional share of the expenses. Included in accounts payable and accrued liabilities at December 31, 2007 is \$13,049 (2006: \$11,762) owing to such companies. As well, the Company is owed \$3,901 from related parties for shared expenses (2006: \$7,323).

A royalty of US\$27,493 (CDN\$32,316) was paid to a company controlled by a director of the Company, a portion of which was accrued at December 31, 2006. As well, at December 31,

2007, a royalty of US\$106,000 is accrued to a company controlled by a director of the Company.

All of the above transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Stan Bharti, a director of the Company, controls a company that provides administrative services to the Company. The administrative company has a contract for \$5,000 per month. Robert Bryce, a director of the Company, controls a company that provides engineering services in relation to the Lac Herbin project. This company bills on a per diem basis, and has charged \$6,300 for the year ended December 31, 2007.

Outstanding Share Data

As March 10, 2008, 100,392,764 common shares of the Company are outstanding. Of the options to purchase common shares issued to service providers under the share option plan of the Company, 9,066,500 remain outstanding with exercise prices ranging from \$0.255 to \$1.14 and with expiry dates ranging between September 5, 2008 and January 30, 2013. If exercised, 9,316,500 common shares would be issued generating \$6,306,450.

As at March 10, 2008, there were 13,468,300 share purchase warrants outstanding with exercise prices ranging from \$0.75 to \$1.35, expiring between May 11, 2008 and February 13, 2009. If exercised, 13,468,300 common shares would be issued generating \$17,601,225.

Contractual Obligations and Contingencies

The following table summarizes the Company's contractual obligations over the next five years and thereafter.

Contractual Obligation	Total	Payments due by period:			
		< 1 year	1 - 3 years	4 - 5 years	> 5 years
Long term debt	280,000	120,000	160,000	-	-
Equipment financing	273,436	79,682	140,912	52,842	-
Capital lease obligations	564,412	282,206	282,206	-	-
Contractual commitments	662,333	347,333	315,000	-	-
	<u>1,780,181</u>	<u>829,221</u>	<u>898,118</u>	<u>52,842</u>	<u>-</u>

Pursuant to the issuance of 5,219,272 flow through shares in November 2006, the Company renounced \$3,653,490 on qualified exploration expenditures with an effective date of December 31, 2006 in February 2007. The effect of this renunciation has been recorded in February 2007. As of December 31, 2007, the Company has met its expenditure commitments with respect to this flow through share offering.

The Company is party to certain management contracts. These contracts contain clauses requiring additional payments of up to \$3 million be made upon the occurrence of certain events such as a change of control. As the likelihood of these events taking place is not

determinable, the contingent payments have not been reflected in these consolidated financial statements.

The Company has been named as a defendant in a legal action relating to the cancellation of 100,000 options held by a former consultant. These options were cancelled three months after the termination of the contract pursuant to the terms of the stock option plan of the Company. The former consultant is claiming \$750,000 in damages for breach of agreement. Management believes that the claim is without merit and plans to vigorously defend itself.

Subsequent Events:

In January 2008, 100,000 stock options were granted to a consultant of the Company at an exercise price of \$0.88.

In February 2008, the Company announced plans to complete a brokered private placement financing. The Company has entered into an agreement with Cormark Securities Inc., as lead underwriter on behalf of a syndicate including Canaccord Adams and CIBC World Markets Inc., pursuant to which the underwriters have agreed to purchase 16,714,286 units of the Company at a price of \$0.70 per unit. Each unit shall consist of one common share of the Company and one half of one common share purchase warrant. Each whole warrant shall be exercisable into one common share of the Company at a price of \$1.00 per share for a period of two years following closing. The Company shall have the right, commencing 365 days after closing of the financing, to call the outstanding warrants for expiry upon 30 days notice should the common shares close at or above \$1.50 for 20 consecutive trading days. The underwriters shall be entitled to a cash commission equal to 6% of the gross proceeds raised.

Other:

Risks and Uncertainties

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration, development and operation of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in the mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be

mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Indeed, current market conditions are forcing many mining operations to increase capital and operating cost estimates. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

No Revenues

To date the Company has recorded very limited revenues from operations and the Company has not commenced commercial production on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's properties. The Company expects to continue to incur losses unless and until such time as it enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming development. There can be no assurance that the Company will generate any revenues or achieve profitability.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favourable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

Foreign Exchange

Gold is sold in United States dollars and consequently, the Company is subject to foreign exchange risks relating to the relative value of the Canadian dollar as compared to the US dollar. To the extent Alexis generates revenue upon reaching the production stage on its properties, it will be subject to foreign exchange risks as revenues will be received in US dollars while operating and capital costs will be incurred primarily in Canadian dollars. A decline in the US dollar would result in a decrease in the real value of Alexis's revenues and adversely affect its financial performance.

Mineral Resource and Mineral Reserve Estimates May be Inaccurate

There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or mineral reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, could have a material adverse effect on the Company's financial position and results of operations.

Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, and actual events could have a material adverse effect on the Company's mineral reserve estimates.

Licences and Permits, Laws and Regulations

The Company's exploration and development activities, including mine, mill, road, rail and port facilities, require permits and approvals from various government authorities, and are subject to extensive federal, provincial and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that Alexis will be able to maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

Gold and Base Metal Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Environmental

The Company's activities are subject to extensive federal, provincial and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all

applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

Uninsured Risks

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the common shares of the Company.

Competition

Alexis competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Dependence on Outside Parties

Alexis has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Alexis.

Qualified Personnel

Recruiting and retaining qualified personnel in the future is critical to the Company's success. As the Company develops the Lac Herbin and Lac Pelletier properties toward commercial production, the need for skilled labour will increase. The number of persons skilled in the exploration and development of mining properties is limited and competition for this workforce is intense. The development of the Company's properties may be significantly delayed or otherwise adversely affected if the Company can not recruit and retain qualified personnel as and when required.

Availability of Reasonably Priced Raw Materials and Mining Equipment

Alexis will require a variety of raw materials in its business as well as a wide variety of mining equipment. To the extent these materials or equipment are unavailable or available only at significantly increased prices, the Company's production and financial performance could be adversely impacted.

Failure to Meet Production Targets and Cost Estimates

The Company prepares future production and capital cost estimates. If commercial production commences, actual production and costs may vary from the estimates for a variety of reasons such as estimates of grade, tonnage, dilution and metallurgical and other characteristics of the ore varying from the actual ore mined, revisions to mine plans, risks and hazards associated with mining, adverse weather conditions, unexpected labour shortages or strikes, equipment failures and other interruptions in production capabilities. If commercial production begins, production costs may also be affected by increased mining costs, variations in predicted grades of the deposits, increases in level of ore impurities, labour costs, raw material costs, inflation and fluctuations in currency exchange rates. Failure to achieve production targets or cost estimates could have a material adverse impact on the Company's sales, profitability, cash flow and overall financial performance. In the event that the Company obtains debt financing, repayment terms associated with such financing will likely be based on production schedule estimates. Any failure to meet such timelines or to produce amounts forecast may constitute defaults under such debt financing, which could result in the Company having to repay loans.

Share Price Fluctuations

The market price of securities of many companies, particularly development stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Alexis may have a conflict of interest in negotiating and concluding terms respecting such participation.

Critical Accounting Estimates

The preparation of the Company's Consolidated Financial Statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions, however, actual results could differ from these estimates and these differences could be material

Financial Instruments

Fair value:

Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying value of amounts receivable, government assistance receivable, accounts payable and accrued liabilities and secured demand loan reflected in the consolidated balance sheet approximate fair value because of the limited term of these instruments.

The carrying values of the convertible debentures, capital lease obligation and long-term debt are reasonable estimates of their fair values.

Commodity Price Risk:

The ability of the Company to develop its properties and the future profitability of the Company are directly related to the market price of certain minerals.

Interest rate risk:

The Company has long-term debt agreements for which general rate fluctuations apply.

Off Balance Sheet items

We do not have any off balance sheet items

Multilateral Instrument 52-109 Disclosure

Evaluation of disclosure controls and procedures

We have evaluated the effectiveness of our disclosure controls and procedures and have concluded, based on our evaluation that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

Internal controls over financial reporting

The Chief Executive Officer and Chief Financial Officer, together with other members of management, after having designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reporting in accordance with the issuer's GAAP as of December 31, 2007, have not identified any changes to the Company's internal control over financial reporting which would materially affect, or is reasonably likely to materially affect the Company's internal control over financial reporting.

Outlook

Alexis has an exciting year planned for 2008. We intend to advance to full production at Lac Herbin by the fourth quarter of 2008 producing 27,300 ounces of gold utilizing custom milling.

At Lac Pelletier we intend to advance with the pre-feasibility, dewater and complete a 40,000 tonne bulk sample.

Surface exploration will continue in the Val D'or and Rouyn Noranda camps and we intend to complete a further 32,000 meters of Diamond drilling.

In the latter part of the year we intend to make a decision regarding the potential refurbishment of the Aurbel Mill.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Alexis certain information contained herein constitutes forward-looking information. Forward-looking information includes, but is not limited to, statements with respect to the development potential of the Company's properties; the future price of gold and other minerals; the estimation of mineral reserves and mineral resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward - looking information is based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Alexis to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: unexpected events and delays during construction, expansion and start-up; variations in mineral grade and recovery rates; delay or failure to receive government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold and other minerals; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

March 10, 2008