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# **AMERIX PRECIOUS METALS CORPORATION**

**(A Development Stage Company)**

**CONSOLIDATED FINANCIAL STATEMENTS**

**(UNAUDITED)**

**FOR THE THREE AND SIX MONTHS ENDED  
JANUARY 31, 2007**

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## Responsibility for Consolidated Financial Statements

The accompanying unaudited consolidated financial statements for Amerix Precious Metals Corporation have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles consistently applied. The most significant of these accounting principles have been set out in the July 31, 2006 audited consolidated financial statements. Only changes in accounting information have been disclosed in these unaudited consolidated financial statements. These unaudited consolidated financial statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of these unaudited consolidated financial statements, management is satisfied that these unaudited consolidated financial statements have been fairly presented.

## Auditor involvement

The independent auditor of Amerix Precious Metals Corporation has not performed a review of the unaudited consolidated financial statements for the three and six months ended January 31, 2007 and January 31, 2006.

# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Balance Sheets (Prepared by Management)

(Unaudited)

	January 31, 2007	July 31, 2006
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,598,286	\$ 3,154,694
Temporary investment (market value: July 31, 2006 - \$500,000)	-	500,000
Other receivables	36,559	12,151
	<b>1,634,845</b>	<b>3,666,845</b>
<b>Mineral properties and exploration costs (Note 3)</b>	<b>8,257,936</b>	<b>6,308,559</b>
<b>Equipment</b>	<b>8,802</b>	<b>10,248</b>
	<b>\$ 9,901,583</b>	<b>\$ 9,985,652</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 268,250	\$ 359,045
<b>Going concern (Note 1)</b>		
<b>Shareholders' equity</b>		
Share capital (Note 4(b))	14,188,329	13,732,697
Common share purchase warrants (Note 4(e))	1,328,686	1,584,318
Contributed surplus (Note 4(d))	1,142,362	799,654
Deficit	(7,026,044)	(6,490,062)
	<b>9,633,333</b>	<b>9,626,607</b>
	<b>\$ 9,901,583</b>	<b>\$ 9,985,652</b>

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



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Operations and Deficit (Prepared by Management)

(Unaudited)

	Three Months Ended January 31,		Six Months Ended January 31,		Cumulative from inception to January 31,
	2007	2006	2007	2006	2007
<b>Revenue</b>					
Interest income	\$ -	\$ -	\$ -	\$ -	\$ 50,930
<b>Expenses</b>					
Stock-based compensation (Note 4(c))	291,758	29,689	342,708	58,959	1,142,242
Investor relations	29,050	43,346	50,471	69,744	441,245
Professional fees (Note 7(b))	18,389	22,144	45,244	27,146	573,752
Office and general	12,876	10,430	26,321	23,204	513,636
Management fees (Note 7(a))	15,188	12,000	27,188	24,000	1,139,433
Consulting fees	-	-	-	-	71,193
Salaries and benefits	-	-	-	-	26,959
Transfer agent and filing fees	10,714	15,443	14,539	17,568	169,231
Travel and promotion	7,517	-	7,517	-	459,771
Loss (gain) on foreign exchange	5,229	(465)	(18,251)	(1,999)	28,188
Rent	708	878	1,392	1,360	165,328
General exploration	37,406	-	37,406	-	37,406
Loss on disposal of mineral properties and deferred exploration expenditures	-	329,334	-	329,334	330,360
Write-off of note receivable	-	-	-	-	122,410
Write-off of mineral properties and deferred exploration expenditures	-	-	-	-	71,877
Amortization	724	758	1,447	1,516	36,302
Net loss from predecessor operations	-	-	-	-	1,747,641
	<b>429,559</b>	<b>463,557</b>	<b>535,982</b>	<b>550,832</b>	<b>7,076,974</b>
<b>Net loss for the period</b>	<b>(429,559)</b>	<b>(463,557)</b>	<b>(535,982)</b>	<b>(550,832)</b>	<b>(7,026,044)</b>
<b>DEFICIT, beginning of period</b>	<b>(6,596,485)</b>	<b>(5,422,684)</b>	<b>(6,490,062)</b>	<b>(5,335,409)</b>	<b>-</b>
<b>DEFICIT, end of period</b>	<b>\$ (7,026,044)</b>	<b>\$ (5,886,241)</b>	<b>\$ (7,026,044)</b>	<b>\$ (5,886,241)</b>	<b>\$ (7,026,044)</b>
<b>Basic and diluted loss per common share (Note 5)</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.02</b>	
<b>Weighted average common shares outstanding</b>	<b>45,274,973</b>	<b>36,442,918</b>	<b>45,235,247</b>	<b>36,398,398</b>	

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



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Cash Flows (Prepared by Management)

(Unaudited)

(Note 8)	Three Months Ended January 31,		Six Months Ended January 31,		Cumulative from inception to January 31,
	2007	2006	2007	2006	2007
<b>Cash flows from (used in) operating activities</b>					
Net loss for the period	\$ (429,559)	\$ (463,557)	\$ (535,982)	\$ (550,832)	\$ (5,278,403)
Items not affecting cash:					
Loss on disposal of mineral properties and deferred exploration expenditures	-	329,334	-	329,334	330,360
Write-off of note receivable	-	-	-	-	122,410
Write-off of deferred exploration expenditures	-	-	-	-	71,877
Stock-based compensation (Note 4(c))	291,758	29,689	342,708	58,959	1,142,242
Amortization	724	758	1,447	1,516	36,302
Unrealized foreign exchange	(4,222)	-	(4,222)	-	8,028
	<b>(141,299)</b>	<b>(103,776)</b>	<b>(196,049)</b>	<b>(161,023)</b>	<b>(3,567,184)</b>
Other sources (uses) of cash from operations:					
Decrease (increase) in other receivables	543,513	(4,447)	480,144	2,771	467,993
(Decrease) increase in accounts payable and accrued liabilities	(66,313)	29,087	(90,796)	(136,610)	386,612
	<b>335,901</b>	<b>(79,136)</b>	<b>193,299</b>	<b>(294,862)</b>	<b>(2,712,579)</b>
<b>Cash flows used in investing activities</b>					
Proceeds from disposal of mineral property and deferred exploration expenditures	-	-	-	-	1,500,000
Purchase of equipment	-	-	-	-	(45,104)
Redemption (purchase) of temporary investments	-	-	(4,552)	-	(504,552)
Issue of note receivable	-	-	-	-	(134,660)
Mineral property acquisition and exploration costs	(922,368)	(315,715)	(1,949,377)	(556,191)	(9,553,747)
	<b>(922,368)</b>	<b>(315,715)</b>	<b>(1,953,929)</b>	<b>(556,191)</b>	<b>(8,738,063)</b>



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Cash Flows (Prepared by Management) (Continued)

(Unaudited)

(Note 8)	Three Months Ended January 31,		Six Months Ended January 31,		Cumulative from inception to January 31,
	2007	2006	2007	2006	2007
<b>Cash flows from financing activities</b>					
Shares issued on private placements, net of share issue costs	-	534,700	-	547,200	7,782,746
Warrants issued	-	-	-	-	1,492,277
Performance shares issued from escrow	-	-	-	-	4,219
Shares issued on exercise of stock options	-	-	-	-	392,904
Shares issued on exercise of warrants	-	-	<b>200,000</b>	-	2,854,276
	-	534,700	<b>200,000</b>	547,200	12,526,422
<b>(Decrease) increase in cash and cash equivalents</b>	<b>(586,467)</b>	139,849	<b>(1,560,630)</b>	(303,853)	1,075,780
<b>Net cash provided by predecessor operations</b>	-	-	-	-	518,284
<b>Cash and cash equivalents, beginning of period</b>	<b>2,180,531</b>	196,965	<b>3,154,694</b>	640,667	-
<b>Effect of exchange rate changes on cash held in foreign currencies</b>	<b>4,222</b>	-	<b>4,222</b>	-	4,222
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,598,286</b>	\$ 336,814	<b>\$ 1,598,286</b>	\$ 336,814	\$ 1,598,286

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



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

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## 1. NATURE OF BUSINESS AND GOING CONCERN

Amerix Precious Metals Corporation ("the Company" or "Amerix"), a publicly traded company listed on the TSX Venture Exchange, is involved in the acquisition, exploration and development of mineral properties. The Company was originally incorporated under the Company Act of British Columbia and completed its continuance in the Province of Ontario effective May 31, 2004.

The Company is in the process of exploring its mineral interests and has not yet determined whether these interests contain ore reserves that are economically recoverable. The Company has not earned any revenue to date from its operations and is therefore considered to be in the development stage. The recoverability of the carrying amounts of these interests is dependent upon the discovery of economically recoverable reserves, maintaining the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development thereof and the future profitable production therefrom or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material writedowns of the carrying amounts.

These unaudited consolidated financial statements have been prepared according to Canadian Generally Accepted Accounting Principles applicable to a going concern which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business for the foreseeable future. The Company has suffered recurring losses from operations that raise doubt about its ability to continue as a going concern. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to acquire, maintain and enhance its resource properties and to meet ongoing administration expenses and related liabilities as they fall due.

These unaudited consolidated financial statements do not reflect any adjustments relating to the recoverability and classifications of assets and liabilities should the Company be unable to continue as a going concern.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles for interim financial information. Accordingly, they do not include all of the information and notes to the consolidated financial statements required by Canadian Generally Accepted Accounting Principles for annual consolidated financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six months ended January 31, 2007 may not necessarily be indicative of the results that may be expected for the year ending July 31, 2007.



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The balance sheet at July 31, 2006 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by Canadian Generally Accepted Accounting Principles for complete consolidated financial statements. The interim unaudited consolidated financial statements have been prepared by management in accordance with the accounting policies described in the Company's annual audited consolidated financial statements for the year ended July 31, 2006. For further information, refer to the audited consolidated financial statements and notes thereto included in the Company's annual consolidated financial statements for the year ended July 31, 2006.

New accounting pronouncements

In January 2005, the Canadian Institute of Chartered Accountants issued four new accounting standards: Handbook Section 1530, Comprehensive Income, Handbook Section 3251, Equity, Handbook Section 3855, Financial Instruments – Recognition and Measurement and Handbook Section 3865, Hedges. These standards are effective for interim and annual consolidated financial statements for the Company's fiscal and interim periods beginning August 1, 2007.

## 3. MINERAL PROPERTIES AND EXPLORATION COSTS

	Matapi's Vila Porto Rico Property ("VPR") (1)	UNITINS' Limão Property (1)	Santo Domingo Properties (1)
Balance - July 31, 1996	\$ -	\$ -	\$ -
Fiscal 1997 expenditures	7,062	-	-
Fiscal 1998 expenditures	375,800	174,583	-
Fiscal 1999 expenditures	144,480	147,077	-
Fiscal 2000 expenditures	459,120	121,866	-
Fiscal 2001 expenditures	35,551	71,534	-
Fiscal 2002 expenditures	11,630	5,861	43,226
Fiscal 2003 expenditures	14,034	19,610	1,489,017
Fiscal 2004 expenditures	674,899	-	-
Fiscal 2005 expenditures	2,271,038	-	288,193
Fiscal 2006 expenditures	1,774,414	-	-
Fiscal 2006 dispositions	-	-	(1,820,436)
Balance - July 31, 2006	5,768,028	540,531	-
Expenditures during the period	1,949,377	-	-
Balance, January 31, 2007	\$ 7,717,405	\$ 540,531	\$ -



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

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## 3. MINERAL PROPERTIES AND EXPLORATION COSTS (Continued)

(1) On a quarterly basis, management of the Company review exploration costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization.

For a description of the mineral properties owned by the Company, refer to Note 4 of the audited consolidated financial statements as at July 31, 2006. Specific changes to mineral properties that occurred from August 1, 2006 to January 31, 2007 are as follows:

On September 28, 2006, the DNPM (Departamento Nacional da Produção Mineral – Brazilian Government Mining Bureau) granted two exploration licenses (Numbers 9208 and 9209 pursuant to DNPM Processes 850.015/2006 and 850.017/2006) to Mineração Vila Porto Rico (MVPR). These licenses cover the properties contiguous with VPR on its northern and eastern boundaries and comprise 9,875.43 hectares and 8,361.07 hectares, respectively.

On October 5, 2006, MVPR filed an official memo with the DNPM advising that exploration activities had commenced in these properties. These additional exploration licenses allow MVPR to expand its exploration program into the northerly extension of the Vila Porto Rico shear zone.

On October 16, 2006, the DNPM granted two exploration licenses for the Limão property (Numbers 9513 and 9576 pursuant to DNPM Process 850.263/2002 and 850.262/2002) to Matapi Pesquisa Mineral Ltda. ("Matapi"). These licenses will be transferred to MVPR through previous agreements with Matapi.

On November 20, 2006, the DNPM renewed all four of its exploration licenses for the VPR Property pursuant to DNPM Processes Nos. 852.632/93, 852.726/93, 852.677/93, and 852.678/93. These exploration licenses are valid for three years and were granted to Mineração Vila Porto Rico which is wholly-owned by Amerix.

# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

## 4. SHARE CAPITAL

### (a) AUTHORIZED

Unlimited Common shares  
Unlimited First preference shares  
Unlimited Second preference shares

### (b) ISSUED

	Common Shares	Amount
Balance, July 31, 2006	44,774,973	\$ 13,732,697
Exercise of warrants	500,000	200,000
Exercise of warrants - previously valued by Black-Scholes	-	42,054
Revaluation of warrants based on amended terms (Note 10(b))	-	213,578
Balance, January 31, 2007	45,274,973	\$ 14,188,329

### (c) STOCK OPTIONS

The following table reflects the continuity of stock options for the six months ended January 31, 2007:

	Number of Stock Options	Weighted Average Exercise Price \$
Balance, July 31, 2006	3,949,000	0.49
Granted (1)(2)	1,125,000	0.27
Cancelled	(275,000)	(0.81)
Balance, January 31, 2007	4,799,000	0.42

(1) On January 18, 2007, the Company granted 525,000 stock options to directors, officers and employees at a price of \$0.27 per share and exercisable for a period of five years expiring on January 18, 2012. The value assigned was calculated using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 92.8%, risk-free interest rate 4.04% and expected life of 5 years. The fair value of each stock option granted was \$0.197 per option. The aggregate fair value assigned to these options was \$103,425 of which \$11,964 has been expensed in the statement of operations and deficit in accordance with the vesting terms of the stock options. An additional 100,000 stock options were issued with the same terms as the January 18, 2007 stock option issue. These stock options were not valued as the 100,000 stock options were subsequently cancelled.



# AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

## 4. SHARE CAPITAL (Continued)

### (c) STOCK OPTIONS (Continued)

(2) On January 22, 2007, the Company granted 500,000 stock options to an officer of the Company at a price of \$0.275 per share and exercisable for a period of five years expiring on January 22, 2012. The value assigned was calculated using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 92.8%, risk-free interest rate 4.04% and expected life of 5 years. The fair value of each stock option granted was \$0.205 per option. The aggregate fair value assigned to these options was \$102,500 of which \$24,059 has been expensed in the statement of operations and deficit in accordance with the stock option agreement.

(3) \$306,685 was expensed in the consolidated statements of operations and deficit and credited to contributed surplus relating to options that were granted in prior periods and vested during the three and six months ended January 31, 2007.

As at January 31, 2007, the following stock options were outstanding:

Black-Scholes Valuation on Vested Stock Options \$	Number of Stock Options Outstanding	Number of Stock Options Exercisable	Exercise Price \$	Date of Expiry
-	774,000	774,000	0.25	December 16, 2007
340,000	1,000,000	1,000,000	0.44	December 15, 2008
12,250	50,000	50,000	0.32	April 27, 2009
22,900	100,000	100,000	0.30	June 27, 2009
172,900	700,000	700,000	0.35	November 8, 2009
83,500	500,000	500,000	0.44	May 24, 2010
315,195	650,000	233,336	0.93	June 30, 2011
11,964	525,000	30,000	0.27	January 18, 2012
24,059	500,000	100,000	0.275	January 22, 2012
982,768	4,799,000	3,487,336		



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Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

## 4. SHARE CAPITAL (Continued)

### (d) CONTRIBUTED SURPLUS

The following table reflects the continuity of stock options for the six months ended January 31, 2007:

	Contributed Surplus
Balance, July 31, 2006	\$ 799,654
Stock-based compensation	342,708
Balance, January 31, 2007	\$ 1,142,362

### (e) WARRANTS

The following table reflects the continuity of common share purchase warrants for the six months ended January 31, 2007:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, July 31, 2006	4,600,000	0.62
Exercised	(500,000)	(0.40)
Expired	(275,000)	(0.40)
Balance, January 31, 2007	3,825,000	0.43

As of January 31, 2007, the following common share purchase warrants were outstanding:

	Black-Scholes Value \$	Number of Warrants	Exercise Price \$	Date of Expiry
	37,618	225,000	0.70	April 6, 2007
	115,800	600,000	0.50	April 6, 2007
(Note 10(b))	288,000	3,000,000	0.40	January 4, 2008
	441,418	3,825,000		
	887,268	-		Expired warrants
	1,328,686	3,825,000		



# AMERIX PRECIOUS METALS CORPORATION

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Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

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## 5. LOSS PER SHARE ("LPS")

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period, including contingently issuable shares which are included when the conditions necessary for issuance have been met. Diluted loss per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of stock options and warrants, if dilutive. The number of additional shares included in the calculation is based on the treasury stock method for stock options and warrants. The effect of potential issuances of shares under stock options and warrants would be anti-dilutive, and accordingly diluted LPS is not presented.

## 6. INCOME TAXES

The estimated taxable income for the period is \$nil. Based upon the level of historical taxable income, it cannot be reasonably estimated at this time if it is more likely than not that the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities.

Consequently, the future recovery or loss arising from differences in tax values and accounting values have been reduced by an equivalent taxable temporary difference valuation allowance. The estimated taxable temporary difference valuation allowance will be adjusted in the period that it is determined that it is more likely than not that some portion or all of the future tax assets or future tax liabilities will be realized. As such, the Company does not expect any income tax recoveries at this time.

For further information on the Company's actual losses for tax purposes, refer to the July 31, 2006 audited consolidated financial statements. The benefit for these losses and the estimated loss for the period ended have not been recognized in these unaudited consolidated financial statements.

## 7. RELATED PARTY TRANSACTIONS

(a) During the six months ended January 31, 2007, the Company paid or accrued \$27,188 (2006 - \$24,000) in management fees to a former and current officer of the Company. These individuals were also reimbursed for out-of-pocket expenses that occurred in the normal course of operations. At January 31, 2007, \$11,919 (2006 - \$18,651) was payable to the current officer of the Company.

(b) During the six months ended January 31, 2007, the Company paid \$21,531 (2006 - \$32,424) for legal services provided by a law firm in which a director of the Company is a partner. At January 31, 2007, \$4,282 (2006 - \$17,644) was payable to the law firm.

The transactions above 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.



# AMERIX PRECIOUS METALS CORPORATION

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Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

## 8. SUPPLEMENTAL CASH FLOW INFORMATION

During the period, the Company had cash flows arising from interest received as follows:

	Three Months Ended January 31,		Six Months Ended January 31,		Cumulative from inception to January 31,
	2007	2006	2007	2006	2007
Interest received	\$ 19,907	\$ -	\$ 43,960	\$ 1,103	\$ 153,639

## 9. SEGMENTED INFORMATION

The Company operates one operating segment, that being the exploration and development of mineral properties. No revenue has been generated by these properties. A summary of assets by geographic area is as follows:

	Total Assets	Current Assets	Mineral Interests	Other
<b>January 31, 2007</b>				
Assets				
Canada	\$ 1,563,173	\$ 1,554,371	\$ -	\$ 8,802
Brazil	8,338,410	80,474	8,257,936	-
	\$ 9,901,583	\$ 1,634,845	\$ 8,257,936	\$ 8,802
<b>July 31, 2006</b>				
Assets				
Canada	\$ 3,558,098	\$ 3,547,850	\$ -	\$ 10,248
Brazil	6,427,554	118,995	6,308,559	-
	\$ 9,985,652	\$ 3,666,845	\$ 6,308,559	\$ 10,248



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(A Development Stage Company)

Notes to Consolidated Financial Statements

(Prepared by Management)

Three and Six Months Ended January 31, 2007

(Unaudited)

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## 10. SUBSEQUENT EVENTS

(a) On February 28, 2007, 200,000 stock options were granted to an officer of the Company at an exercise price of \$0.29 per share expiring on February 28, 2012.

(b) On March 23, 2007, Amerix received the approval of the TSX Venture Exchange to amend the terms of the warrants exercisable for 3,000,000 common shares of Amerix originally issued in connection with a brokered private placement which closed on April 7, 2006.

Pursuant to the original terms of the warrants, each warrant entitles the holder thereof to purchase one common share of Amerix at a price of \$0.70 at any time prior to April 6, 2007, provided that if the closing price of the common shares of Amerix on the TSX Venture Exchange is equal to or greater than \$0.88 per common share for a period of ten consecutive trading days at any time after August 8, 2006, Amerix can accelerate the expiry date of the warrants by giving notice to the holders thereof and in such case the warrants will expire on the 20th day after the date on which such notice is given by Amerix.

Amerix has received the approval of the TSX Venture Exchange to amend to the warrants to (i) change the exercise price of the warrants from \$0.70 to \$0.40 and (ii) extend the expiry term of the warrants from April 6, 2007 to January 4, 2008. Accordingly, if the closing trading price of the common shares of Amerix on the TSX Venture Exchange is equal to or greater than \$0.45 per common share for a period of ten consecutive trading days the Company may accelerate the expiry date of the warrants by giving notice to the holders thereof and in such case the warrants will expire on the 20th day after the date on which such notice is given by the Company.

In addition, in accordance with the requirements of the TSX Venture Exchange, the amended warrants will be subject to an automatic 30 day expiry period in the event that the closing trading price of the common shares of Amerix on the TSX Venture Exchange is equal to or greater than \$0.50 per common share for a period of ten consecutive trading days (the "Premium Trading Days") with the 30 day period commencing on the seventh calendar days after the end of the Premium Trading Days.

For the purposes of the 3,000,000 warrants, the fair value of each warrant was estimated on January 4, 2007 using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 139.30%; risk-free interest rate of 4.04% and an expected average life of 1 year. The estimated market value was determined to be \$288,000. The Company increased share capital in the amount of \$213,578 and decreased common share purchase warrants for the same amount to arrive at the adjusted market value of \$288,000.

