AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

(EXPRESSED IN CANADIAN DOLLARS)

JULY 31, 2008 AND 2007

MSCM LLP
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Auditors' Report

To the Shareholders of
Amerix Precious Metals Corporation

We have audited the consolidated balance sheets of Amerix Precious Metals Corporation as at July 31, 2008 and 2007 and the consolidated statements of loss and comprehensive loss, shareholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2008 and 2007, the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Signed: ***"MSCM LLP"***

Chartered Accountants
Licensed Public Accountants

Toronto, Ontario
November 25, 2008

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Balance Sheets

(Expressed in Canadian Dollars)

July 31, 2008 and 2007

		2008		2007
Assets				
Current assets				
Cash	**$**	**311,891**	$	209,051
Other receivables		**12,748**		10,693
Prepaid expenses		**73,866**		14,114
		398,505		233,858
Mineral properties and deferred exploration costs (Note 3)		**14,042,285**		9,320,940
Equipment (Note 4)		**-**		10,009
	$	**14,440,790**	$	9,564,807
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 9)	**$**	**488,787**	$	224,080
		488,787		224,080
Future tax liability (Note 11)		**767,691**		-
		1,256,478		224,080
Going concern (Note 1)				
Shareholders' equity				
Share capital (Note 5(b))		**17,745,268**		13,827,255
Warrants (Note 6)		**662,820**		649,074
Contributed surplus (Note 7)		**3,394,081**		2,334,651
Deficit		**(8,617,857)**		(7,470,253)
		13,184,312		9,340,727
	$	**14,440,790**	$	9,564,807

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

Approved by the Board "**Jeffery Reeder**" Director **"William Whitehead"** Director

AMERIX
PRECIOUS METALS CORP.

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Year Ended July 31, 2008 and 2007

	2008	2007	**Cumulative from inception to July 31, 2008**
Revenue			
Interest income	**$ -**	$ -	$ 50,930
Expenses			
Stock-based compensation (Note 8)	**655,023**	494,311	1,948,868
Professional fees (Note 9)	**175,201**	124,050	796,416
Management fees (Note 9)	**162,410**	104,530	1,379,185
Investor relations	**114,771**	137,238	648,633
Travel and promotion	**50,558**	16,269	519,081
Office and general	**36,416**	39,863	594,937
Transfer agent and filing fees	**31,139**	32,301	212,282
Rent	**19,055**	2,266	185,257
Amortization	**11,375**	3,362	49,592
Gain on foreign exchange	**(108,344)**	(12,405)	(74,310)
General exploration	**-**	38,406	38,406
Loss on disposal of mineral properties and deferred exploration costs	**-**	-	330,360
Write-off of note receivable	**-**	-	122,410
Write-off of mineral properties and deferred exploration costs	**-**	-	71,877
Consulting fees	**-**	-	71,193
Salaries and benefits	**-**	-	26,959
Net loss from predecessor operations	**-**	-	1,747,641
	1,147,604	980,191	8,668,787
Net loss and comprehensive loss for the year	**$ (1,147,604)**	$ (980,191)	$ (8,617,857)
Basic and diluted loss per common share (Note 10)	**$ (0.02)**	$ (0.02)	

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

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Shareholders' Equity

(Expressed in Canadian Dollars)

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance, July 31, 2006	$ 13,732,697	$ 720,180	$ 1,663,792	$ (6,490,062)	$ 9,626,607
Exercise of warrants	200,000	-	-	-	200,000
Fair market value of exercise of warrants	42,054	(42,054)	-	-	-
Fair market value of warrants expired	-	(176,548)	176,548	-	-
Stock-based compensation	-	-	494,311	-	494,311
Revaluation of warrants based on amended terms	(147,496)	147,496	-	-	-
Net loss for the year	-	-	-	(980,191)	(980,191)
Balance, July 31, 2007	13,827,255	649,074	2,334,651	(7,470,253)	9,340,727
Private placements	3,772,500	-	-	-	3,772,500
Fair market value of warrants issued	(573,420)	573,420	-	-	-
Share issuance costs - cash	(332,584)	-	-	-	(332,584)
Fair market value of warrants issued resulting from share issuance costs	(148,300)	148,300	-	-	-
Exercise of warrants	681,250	-	-	-	681,250
Fair market value of exercise of warrants	280,667	(280,667)	-	-	-
Property interest acquisition	29,000	-	-	-	29,000
Exercise of stock options	186,000	-	-	-	186,000
Fair market value of exercise of stock options	22,900	-	(22,900)	-	-
Expiry of warrants	-	(427,307)	427,307	-	-
Stock-based compensation	-	-	655,023	-	655,023
Net loss for the year	-	-	-	(1,147,604)	(1,147,604)
Balance, July 31, 2008	**$ 17,745,268**	**$ 662,820**	**$ 3,394,081**	**$ (8,617,857)**	**$ 13,184,312**

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

(Expressed in Canadian Dollars)

Year Ended July 31, 2008 and 2007

	2008	2007	**Cumulative from inception to July 31, 2008**
Cash (used in) provided by:			
Operating activities			
Net loss and comprehensive loss	**$ (1,147,604)**	$ (980,191)	$ (8,617,857)
Items not affecting cash:			
Net loss from predecessor operations	**-**	-	1,747,641
Loss on disposal of mineral properties and deferred exploration costs	**-**	-	330,360
Write-off of note receivable	**-**	-	122,410
Write-off of deferred exploration costs	**-**	-	71,877
Stock-based compensation	**655,023**	494,311	1,948,868
Amortization	**11,375**	3,362	49,592
Unrealized (gain) loss on foreign exchange	**(108,344)**	1,723	(94,371)
	(589,550)	(480,795)	(4,441,480)
Other sources (uses) of cash from operations:			
Increase in other receivables and prepaids	**(61,807)**	(11,878)	(86,614)
(Decrease) increase in accounts payable and accrued liabilities	**(180,293)**	(232,038)	65,077
	(831,650)	(724,711)	(4,463,017)
Investing activities			
Proceeds from disposal of mineral property and deferred exploration costs	**-**	-	1,500,000
Purchase of equipment	**(1,366)**	(3,123)	(49,593)
Redemption of temporary investments	**-**	500,000	-
Issue of note receivable	**-**	-	(134,660)
Mineral property acquisition and deferred exploration costs	**(3,479,654)**	(2,915,308)	(13,999,332)
	$ (3,481,020)	$ (2,418,431)	$(12,683,585)

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

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Interim Consolidated Statements of Cash Flows (Continued)

(Expressed in Canadian Dollars)

Year Ended July 31, 2008 and 2007

	2008	2007	**Cumulative from inception to July 31, 2008**
Financing activities			
Share capital issued, net of share issue costs	**$ 3,439,916**	$ -	$ 12,714,939
Performance shares issued from escrow	**186,000**	-	190,219
Shares issued on exercise of stock options	**681,250**	-	1,074,154
Shares issued on exercise of warrants	**-**	200,000	2,854,276
	4,307,166	200,000	16,833,588
Change in cash and cash equivalents	**(5,504)**	(2,943,142)	(313,014)
Net cash provided by predecessor operations	**-**	-	518,284
Cash and cash equivalents, beginning of year	**209,051**	3,153,916	-
Effect of exchange rate changes on cash held in foreign currencies	**108,344**	(1,723)	106,621
Cash and cash equivalents, end of year	**$ 311,891**	$ 209,051	$ 311,891
Supplemental Cash Flow Information			
Interest received	**$ 11,672**	$ 55,027	$ 176,378

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

AMERIX PRECIOUS METALS CORP.

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 and the Frankfurt Stock 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 yet discovered any proven reserves, nor has it earned any income and it is therefore considered to be an enterprise in the development stage, in accordance with CICA Accounting Guideline 11. 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.

As at July 31, 2008, the Company had a working capital deficiency of $90,282 and an accumulated deficit of $(8,617,857). Management of the Company does not have sufficient funds to pay its ongoing administrative expenses and to meet its liabilities for the ensuing twelve months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mineral property expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements.

The Company did not make an option payment of 4.4 kilograms of gold due on November 25, 2008 under the terms of the First Carneiro agreement. (See Note 3(ii)(c)). As a result the Company may lose all of its interest in the Vila Porto Rico property, including forfeiting all payments made to date. However, the Company is in advanced negotiations with the holder of the First Carneiro agreement and expects to reach a settlement concerning payment of this option payment as well as the 10 kilograms of gold option payment due on July 28, 2009. The Company believes it will be able to successfully negotiate a settlement of these payments and has not written down the carrying value of the property.

2. Significant Accounting Policies

These consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The significant accounting policies are summarized as follows:

2. Significant Accounting Policies (Continued)

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Brazourocay Corporation, S.A. Ventures I Limited, S.A. Ventures II Limited and Mineração Vila Porto Rico Ltda., which were formed to facilitate the acquisition, exploration and development of mineral properties in Brazil and Mexico.

Mineral properties and deferred exploration costs

Direct costs relating to the acquisition, exploration and development of mineral properties, less recoveries, are deferred until such time as the properties are either put into commercial production, sold, determined not to be economically viable or abandoned. General exploration expenditures which do not relate to specific resource properties are written off in the year incurred.

The costs deferred at any time do not necessarily reflect present or future values of the particular properties. The ultimate recovery of such amounts depends on the discovery of economic reserves and the successful financing of and commercial development of or sale of the related properties.

On an annual basis, the Company reviews the carrying values of deferred mineral property acquisition and exploration expenditures to assess whether there has been an impairment in value. The Company recognizes write-downs for impairment where the carrying value of a mining property exceeds its estimated long term net recoverable value. Recoverable value is estimated based upon current exploration results and upon management's assessment of the future probability of positive cash flows from the property or from the sale of the property.

Environmental expenditures and asset retirement obligations

The business conducted by the Company may be affected by environmental legislation and possible future changes thereto, the impact of which is not predictable. Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against earnings as incurred or capitalized and amortized depending on their future economic benefits.

The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred when a reasonable estimate of fair value can be made. If a reasonable estimate of fair value cannot be made in the period the asset retirement obligation is incurred, the liability is to be recognized when a reasonable estimate of fair value can be made.

The Company has determined that there are no asset retirement obligations nor any other environmental obligations associated with its mineral properties, and therefore no liability has been recognized in these consolidated financial statements.

2. Significant Accounting Policies (Continued)

Equipment

Equipment is recorded at cost less accumulated amortization. Equipment is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If it is determined that the carrying amount of equipment is not recoverable, and exceeds its fair value, an impairment loss would be recognized in the period that such a determination is made.

Amortization is provided over the expected useful lives of the equipment using the following methods and annual rates:

Office furniture and equipment	-	20 %	declining balance
Computer equipment	-	30 %	declining balance

Impairment of long-lived assets

The Company regularly reviews whether there are any indicators of impairment of its long-lived assets, primarily being its mineral exploration properties. If such indicators are present, the Company assesses the recoverability of the long-lived assets or group of assets by determining whether the carrying value of such assets can be recovered through undiscounted future cash flows. If the sum of undiscounted future cash flows is less than the carrying amount or if long-lived assets are abandoned, the excess of the carrying amount over the estimated fair value, based on discounted future cash flows, is recorded as a charge to net loss.

Income taxes

Income taxes are calculated using the asset and liability method of tax accounting. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and on unclaimed losses carried forward and are measured using the substantively enacted tax rates that will be in effect when the differences are expected to reverse or losses are expected to be utilized. A valuation allowance is recognized to the extent that the recoverability of future income tax assets is not considered more likely than not.

Foreign currency translation

All of the Company's foreign operations are considered integrated foreign operations and the temporal method is used to convert these operations into Canadian dollars. Under the temporal method, monetary assets and liabilities are translated into Canadian dollars at the rate of exchange in effect at the balance sheet date and non-monetary assets and liabilities are translated into Canadian dollars at historical exchange rates. Transactions are translated into Canadian dollars at the rate of exchange in effect on the dates they occur. Amortization of assets is translated at the same historical exchange rate as the assets to which they relate. Exchange gains and losses arising on the translation of integrated foreign operations are included in the determination of net loss.

2. Significant Accounting Policies (Continued)

Stock-based compensation plan

The Company has in effect a Stock Option Plan ("the Plan"), which is described in note 8. Stock options awarded are accounted for using the fair value-based method. Fair value is calculated using the Black Scholes model with the assumptions described in note 8. Consideration paid on the exercise of stock options is credited to share capital together with any accumulated contributed surplus.

Basic and diluted loss per share

The basic loss per share has been calculated based upon the weighted average number of common shares outstanding during the year. Diluted loss per share considers the potential exercise of outstanding options, warrants and other convertible instruments. The treasury stock method is used to calculate diluted earnings per share and assumes any option proceeds would be used to purchase common shares at the average market price during the year.

Share issuance costs

Direct and incremental costs incurred in connection with the issuance of share capital are deducted from the gross proceeds received.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Significant estimates used in the preparation of these consolidated financial statements include, but are not limited to the value of stock options issued, the estimated net realizable value of the mineral properties and deferred exploration costs, and composition of future income tax assets and related valuation allowance.

The Black-Scholes option valuation model used by the Company to determine fair value of options and warrants was developed for use in estimating the fair value of freely traded options. This model requires the input of highly subjective assumptions including future stock price volatility and expected time until exercise. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing model does not necessarily provide a reliable single measure of the fair value of the Company's stock options and warrants granted during the year.

2. Significant Accounting Policies (Continued)

Recent Canadian accounting pronouncements

Accounting changes

In July 2006, the Accounting Standards Board ("AcSB") issued a replacement of The Canadian Institute of Chartered Accountants' Handbook ("CICA Handbook") Section 1506, "Accounting Changes". The new standard allows for voluntary changes in accounting policy only when they result in the financial statements providing reliable and more relevant information, requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. The impact that the adoption of Section 1506 will have on the Company's results of operations and financial condition will depend on the nature of future accounting changes.

Financial instruments, comprehensive income (loss) and hedges

On August 1, 2007, the Company adopted CICA Handbook Sections 1530, "Comprehensive Income", Section 3251 "Equity", Section 3855, "Financial Instruments - Recognition and Measurement" and Section 3861, "Financial Instruments - Disclosure and Presentation". Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. Under the new standards, policies followed for periods prior to the effective date generally are not reversed and therefore, the comparative figures have not been restated.

Section 3855 prescribes when a financial asset, financial liability or non-financial derivative is to be recognized on the balance sheet and at what amount, requiring fair value or cost-based measures under different circumstances. Under Section 3855, financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the balance sheet at fair value except for loans and receivables, held to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is de-recognized or impaired at which time the amounts would be recorded in net earnings.

The significant impact on the consolidated financial statements from the adoption of Section 3861 and 3855 is as follows:

The Company has classified its cash as held for trading, which is measured at fair value. Other receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are also measured at amortized cost.

2. Significant Accounting Policies (Continued)

Future accounting changes

General Standard of Financial Statement Presentation
In June 2007, the CICA amended Handbook Section 1400, "Going Concern", to assess an entity's ability to continue as a going concern and disclose any material uncertainties that cast doubt on its ability to continue as a going concern. Section 1400 is effective for interim and annual reporting periods beginning on or after January 1, 2008. The Company disclosure reflects such assessment.

Capital disclosures and financial instruments – disclosures and presentation
On December 1, 2006, the CICA issued three new accounting standards: "Capital Disclosures" (Handbook Section 1535), "Financial Instruments – Disclosures" (Handbook Section 3862), and "Financial Instruments – Presentation" (Handbook Section 3863). These new standards are effective for interim and annual financial statements for the Company's reporting periods beginning on August 1, 2008.

Capital disclosures
Handbook 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
Handbook 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 the entity manages those risks.

International financial reporting standards ("IFRS")
In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

Goodwill and intangible assets
In November 2007, the CICA approved Handbook Section 3064, "Goodwill and Intangible Assets" which replaces the existing Handbook Sections 3062, "Goodwill and Other Intangible Assets" and 3450 "Research and Development Costs". This standard is effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008, with earlier application encouraged. The standard provides guidance on the recognition, measurement and disclosure requirements for goodwill and intangible assets.

The Company is currently assessing the impact of these new accounting standards on its consolidated financial statements.

(Expressed in Canadian Dollars)

3. Mineral Properties and Deferred Exploration Costs

	Vila Porto Rico Property	Limão Property	Santo Domingo Properties
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)
Fiscal 2007 expenditures	2,902,239	110,142	-
Balance - July 31, 2007	8,670,267	650,673	-
Expenditures during the year	4,570,691	150,654	-
Balance, July 31, 2008	$ 13,240,958	$ 801,327	$ -

During the year, $7,560 (2007 - $55,027) of interest earned was accounted for as a reduction of capitalized costs of the Vila Porto Rico property.

Vila Porto Rico Property

The Company, through its wholly-owned Brazilian subsidiary Mineração Vila Porto Rico Ltda. (“VPR”), entered into a purchase option agreement with Matapi Exploração Mineral Ltda. (“Matapi”) in relation to the Company’s option to acquire a 100% interest in the Vila Porto Rico property. The significant terms of the Matapi agreement are as follows:

(i) aggregate payments of US$80,000 through various installments by March 2006 (US$80,000 has been paid);
(ii) a 2% Net Smelter Royalty (“NSR”) to Matapi, with a buyout of US$200,000 for each one-quarter of the NSR (0.5%) which may be paid down, in whole or in part, at any time by the Company; and
(iii) the issue of 1,966,250 common shares of the Company, of which 1,000,000 shares have been issued in prior years. The balance of 966,250 common shares will be issuable to Matapi upon receipt by the Company of an independent study that confirms a mineable reserve (in the probable category or better) of at least 2,000,000 ounces of gold on this property.

3. Mineral Properties and Deferred Exploration Costs (Continued)

Vila Porto Rico Property (Continued)

The Company, through VPR, also entered into two agreements with a previous mineral rights holder of the Vila Porto Rico property ("Carneiro"), in consideration of services rendered in concluding negotiations between VPR and Matapi with respect to transfer of ownership of the mineral rights.

The First Carneiro agreement (relating to the portion of the property south of the Pacu River, an east-west trending river located on exploration licenses 852726/93 and 852678/93) contains the following significant terms:

(i) payment of US$200,000 upon execution of the agreement (US$200,000 has been paid);
(ii) payment of 100 kilograms of gold, should this portion of the property be determined to have a mineable reserve in the probable category or better of up to 2,000,000 ounces within 72 months of the execution of the agreement, payable as follows:

a) If the 100 kg of gold payments were not made at various required dates prior to July 28, 2006, additional cash payments aggregating $US 300,000 were required (paid);
b) On or before July 28, 2007 – 10 kilograms of gold (10 kilograms of gold was paid with a value of $239,082)
c) On or before July 28, 2008 – 10 kilograms of gold (5.6 kilograms of gold was paid up to July 28, 2008; the remaining 4.4 kilograms of gold due on November 25, 2008 was not paid - see Note 1 and Note 15)
d) On or before July 28, 2009 – 10 kilograms of gold (see Note 1 and Note 15)
e) On or before July 28, 2010 – 70 kilograms of gold

(iii) should the mineable reserve (in the probable category, or better) on this portion of the property exceed 2,000,000 ounces the Company is required to make additional payments of 50 kilograms of gold for each additional 1,000,000 ounces of reserve determined.

The Second Carneiro agreement (relating to the portion of the property north of the Pacu River) contains the following significant terms:

(i) payment of 100 kilograms of gold if there is a mineable reserve in the probable category or better of less than 2,000,000 ounces of gold on this portion of the property; and
(ii) should the mineable reserve (in the probable category or better) on this portion of the property exceed 2,000,000 ounces the Company is required to make additional payments of 50 kilograms of gold for each additional 1,000,000 ounces of reserve determined.

All payments required under the second Carneiro agreement are required to be made within 20 days of the date of receipt of a technical report acceptable to the TSX Venture Exchange.

(Expressed in Canadian Dollars)

3. Mineral Properties and Deferred Exploration Costs (Continued)

Limão Property

On July 12, 2007 the Company finalized the option agreement with respect to the transfer of the mineral rights of its Limao property located in north-central Brazil.

Pursuant to the option agreement for the assignment of mineral rights among Amerix, Matapi and VPR, Matapi formally assigned the mineral rights in respect of the Limão property to VPR in consideration for an aggregate of 400,000 common shares of Amerix (of which 100,000 common shares were issued on January 18, 2008) and approximately $336,000 payable over three years (of which approximately $59,000 was paid during fiscal 2008). In addition, Matapi retained a 2% NSR in respect of the Limao property which may be bought out by the Company at its sole discretion for payment of approximately $663,000. Matapi may receive an additional 383,250 common shares of Amerix if a technical report acceptable to the TSX Venture Exchange evidencing the existence of at least 1,000,000 ounces of gold (probable reserve) is delivered in respect of the Limão property.

4. Equipment

2008	**Cost**	**Accumulated Amortization**	**Net Book Value**
Office furniture and equipment	**$ 9,828**	**$ 9,828**	**$ -**
Computer equipment	**39,764**	**39,764**	**-**
	$ 49,592	**$ 49,592**	**$ -**

2007	Cost	Accumulated Amortization	Net Book Value
Office furniture and equipment	$ 9,828	$ 8,380	$ 1,448
Computer equipment	38,398	29,837	8,561
	$ 48,226	$ 38,217	$ 10,009

(Expressed in Canadian Dollars)

5. 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
Fair market value of exercise of warrants		42,054
Revaluation of warrants based on amended terms	-	(147,496)
Balance, July 31, 2007	45,274,973	13,827,255
Private placement (1)	15,090,000	3,772,500
Fair market value of warrants issued (1)		(573,420)
Fair value of broker warrants issued (1)	-	(148,300)
Exercise of warrants	1,800,000	681,250
Fair market value of exercise of warrants	-	280,667
Exercise of options	724,000	186,000
Fair market value of exercise of options	-	22,900
Property interest acquisition	100,000	29,000
Share issue costs	-	(332,584)
Balance, July 31, 2008	62,988,973	$ 17,745,268

(1) On August 8, 2007, Amerix completed a brokered private placement (the "Private Placement") with Coniston Investment Corp. ("Coniston") of 15,090,000 units (the "Units") of Amerix at a price of $0.25 per Unit for aggregate gross proceeds of $3,772,500.

Each Unit consisted of one common share of Amerix and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitled the holder thereof to purchase one additional common share of Amerix at a price of $0.35 at any time until August 8, 2008, provided that if the closing 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 at any time after four months and one day after the closing date of the Private Placement, Amerix 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 Amerix.

(Expressed in Canadian Dollars)

5. Share Capital (Continued)

(b) Issued (Continued)

As consideration for its services in connection with the Private Placement, Coniston received a cash commission of $296,600. In addition, Coniston received broker warrants (the "Broker Warrants") exercisable for 1,483,000 units ("Broker Units") of Amerix. Each Broker Unit consisted of one common share of Amerix and one-half of one common share purchase warrant (each whole warrant an "Underlying Warrant"). Each Underlying Warrant entitled Coniston to purchase one additional common share of Amerix at a price of $0.35 at any time until August 8, 2008. The Underlying Warrants were subject to the same acceleration provisions as the Warrants. The Broker Warrants were exercisable at a price of $0.25 per Broker Unit until August 8, 2008.

The fair value of the Warrants at the date of grant was $573,420. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 4.70%; expected life of one year; and volatility of 108.70%.

The fair value of the Broker Warrants at the date of grant was $148,300. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 4.70%; expected life of one year; and volatility of 108.70%.

6. Warrants

The following table reflects the continuity of warrants for years ended July 31, 2008 and 2007:

	Number of Warrants	Weighted Average Exercise Price ($)	Fair Value ($)
Balance, July 31, 2006	4,600,000	0.62	720,180
Exercised	(500,000)	0.40	(42,054)
Expired	(1,100,000)	0.58	(176,548)
Revaluation of warrants based on amended terms	-		147,496
Balance, July 31, 2007	3,000,000	0.40	649,074
Granted (Note 5(b)(1))	9,028,000	0.35	721,720
Exercised	(1,800,000)	0.38	(280,667)
Expired	(1,975,000)	0.40	(427,307)
Balance, July 31, 2008	8,253,000	0.33	662,820

(Expressed in Canadian Dollars)

6. Warrants (Continued)

As of July 31, 2008, the following warrants were outstanding:

Fair Value $	Number of Warrants	Exercise Price $	Date of Expiry
514,520	6,770,000	0.35	August 8, 2008
148,300	1,483,000	0.25	August 8, 2008
662,820	8,253,000		

All of the above warrants expired unexercised on August 8, 2008.

7. Contributed Surplus

	2008	2007
Balance, beginning of years	**$ 2,334,651**	$ 1,663,792
Fair market value of exercise of stock options	**(22,900)**	-
Compensation expense relating to stock option awards (Note 8)	**655,023**	494,311
Fair value of expired warrants	**427,307**	176,548
Balance, end of years	**$ 3,394,081**	$ 2,334,651

8. Stock Options and Stock-based Compensation

The Company has a Stock Option Plan (the "Plan") under which it is authorized to grant options to purchase up to 6,298,897 outstanding common shares of the Company to directors, senior officers, employees and/or consultants of the Company.

(Expressed in Canadian Dollars)

8. Stock Options and Stock-based Compensation (Continued)

The following table reflects the continuity of stock options for the years ended July 31, 2008 and 2007:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, July 31, 2006	3,949,000	0.49
Granted	1,275,000	0.28
Forfeited	(475,000)	0.40
Cancelled	(200,000)	0.57
Balance, July 31, 2007	4,549,000	0.43
Issued (viii)	2,500,000	0.30
Exercised	(724,000)	0.26
Expired or cancelled	(720,000)	0.39
Balance, July 31, 2008	5,605,000	0.40

As at July 31, 2008, 147,500 of the outstanding options had not vested. These options will vest in fiscal 2009.

The weighted average remaining contractual life and weighted average exercise price of options outstanding and exercisable as at July 31, 2008 are as follows:

	Options Outstanding				Options Exercisable	
Exercise Prices	**Number Outstanding**		**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Life (years)**	**Number Exercisable**	**Weighted Average Exercise Price**
$ 0.44	1,000,000	(i)	$ 0.44	0.38	1,000,000	$ 0.44
$ 0.32	50,000	(ii)	$ 0.32	0.74	50,000	$ 0.32
$ 0.35	650,000	(iii)	$ 0.35	1.27	650,000	$ 0.32
$ 0.365	50,000	(iv)	$ 0.37	3.76	50,000	$ 0.37
$ 0.93	650,000	(v)	$ 0.93	2.92	650,000	$ 0.93
$ 0.27	525,000	(vi)	$ 0.27	3.47	495,000	$ 0.27
$ 0.29	200,000	(vii)	$ 0.29	3.58	120,000	$ 0.29
$ 0.30	75,000	(viii)	$ 0.30	4.48	37,500	$ 0.30
$ 0.30	2,405,000	(viii)	$ 0.30	4.48	2,405,000	$ 0.30
	5,605,000		$ 0.40	3.03	5,457,500	$ 0.39

(Expressed in Canadian Dollars)

8. Stock Options and Stock-based Compensation (Continued)

(i) In December 2003, 1,000,000 stock options exercisable at $0.44 with an expiry date of December 15, 2008 were granted to directors and officers of the Company.

(ii) In April 2004, 50,000 stock options exercisable at $0.32, expiring April 27, 2009, were granted to a subsidiary's officer and to a consultant of the Company.

(iii) In November 2004, 800,000 stock options exercisable at $0.35, expiring November 8, 2009, were granted to directors and officers of the Company. A total of 100,000 stock options were exercised in the previous years and 50,000 were cancelled during fiscal 2008.

(iv) On May 4, 2007, 50,000 stock options exercisable at $0.365, expiring May 4, 2012, were granted to the Company's investor relations adviser.

(v) In June 2006, 725,000 stock options exercisable at $0.93, expiring June 30, 2011, were granted to the Company's directors, officer, and employees. A total of 75,000 stock options were cancelled and or forfeited during fiscal 2007.

(vi) 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.

(vii) On February 28, 2007, the Company granted 200,000 stock options to an officer of the Company at a price of $0.29 per share and exercisable for a period of five years expiring on February 28, 2012.

(viii) On January 22, 2008, the Company granted 2,500,000 stock options to its directors, officers, consultants and employees. Each such stock option entitling the holder thereof to acquire one common share of the Company at an exercise price of $0.30 per share until January 22, 2013. Using the Black-Scholes valuation method, the options were valued at $551,330. The following assumptions were used to determine the value: expected dividend yield of 0%, risk free interest rate of 3.50%, expected volatility of 117% and an expected maturity of 5 years. 2,425,000 of these options vested immediately at the date of grant. 20,000 options were subsequently cancelled prior to July 31, 2008. Of the balance of 75,000 options, 18,750 vested on each of April 22, 2008 and July 22, 2008, and 18,750 will vest on each of October 22, 2008 and January 22, 2009.

A total of 724,000 stock options were exercised during fiscal 2008.

The weighted average fair value of stock options granted during fiscal 2008 has been estimated at $0.22 (2007- $0.21) per option using the Black-Scholes model for pricing options. The following weighted average assumptions were used:

	2008	2007
Risk free interest rate	3.5%	4.1%
Dividend yield	NIL	NIL
Expected stock volatility	117%	102%
Expected life	5 years	5 years

(Expressed in Canadian Dollars)

9. Related Party Transactions

(a) During the year ended July 31, 2008, the Company paid or accrued $144,224 (July 31, 2007 - $92,012) in management fees to former and current officers of the Company. These individuals were also reimbursed for out-of-pocket expenses incurred in the normal course of operations. At July 31, 2008, $NIL (July 31, 2007 - $20,192) was payable to the former and current officers of the Company.

(b) During the year ended July 31, 2008, the Company paid $75,500 (July 31, 2007 - $47,327) for legal services provided by a law firm in which a former director of the Company is a partner. At July 31, 2008, $NIL (July 31, 2007 - $19,301) was payable to the law firm. This amount is subject to normal trade payment terms.

(c) During the year ended July 31, 2008, the Company paid $NIL (July 31, 2007 - $4,298) to a director for geological services performed. These amounts have been capitalized in mineral properties and deferred exploration costs.

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.

10. Loss Per Share

The following table sets out the computation for basic and diluted loss per share:

	2008	2007
Numerator		
Net loss attributable to common shareholders - basic and diluted	**$ (1,147,604)**	$ (980,191)
Denominator		
Weighted average number of common shares outstanding - basic and diluted	**61,773,948**	45,253,055
Basic and diluted loss per share	**$ (0.02)**	$ (0.02)

As a result of net losses for the years ended July 31, 2008 and 2007, the potential effect of the exercise of stock options and warrants was anti-dilutive.

(Expressed in Canadian Dollars)

11. Income Taxes

The Company is subject to income taxes in Canada and Brazil.

The following table reconciles the expected income tax recovery at the Canadian statutory income tax rate of 34.8% (2007- 36%) to the amounts recognized in the consolidated statements of operations.

		2008		2007
Net loss reflected in the consolidated statement of operations	**$**	**(1,147,604)**	$	(980,191)
Expected income tax recovery at Canadian statutory income tax rates	**$**	**399,000**	$	354,000
Tax benefit of losses not currently recognized		**(242,000)**		(203,000)
Tax effect of expenses not deductible for income tax purposes		**(227,000)**		(206,000)
Tax effect of differences in the timing of deductibility of items for accounting versus income tax purposes				
- expenses of obtaining financing		**70,000**		55,000
Provision for income taxes	**$**	**-**	$	-

The tax effects of temporary differences that give rise to significant portions of the future tax assets/liabilities at July 31, 2008 are as follows:

		2008		2007
Canada				
Non-capital losses	**$**	**937,000**	$	807,000
Mineral properties and exploration costs		**-**		98,000
Unamortized capital and share issue costs		**136,000**		99,000
Future income tax assets, before valuation allowance		**1,073,000**		1,004,000
Valuation allowance		**(1,073,000)**		(1,004,000)
Future income tax asset	**$**	**-**	$	-
Future income tax liability	**$**	**767,691**	$	-

The Company has incurred costs in Canada related to its Brazilian resource assets that are not deductible or eligible for tax pools in either country. As such, the Company has recorded a future tax liability of $767,691 with respect to these non-deductible expenditures and capitalized the costs to the associated property.

(Expressed in Canadian Dollars)

11. Income Taxes (Continued)

At July 31, 2008, the Company had non-capital losses in Canada of approximately $3,148,000 which are available under certain circumstances to reduce future taxable income. The future benefit of these losses has not been recognized in the accounts. These losses expire as follows:

2009	**$ 361,000**
2010	**263,000**
2014	**294,000**
2015	**324,000**
2026	**574,000**
2027	**561,000**
2028	**771,000**
	$ 3,148,000

12. 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:

	2008		
	Canada	Brazil	Consolidated
Current assets	**$ 236,808**	**$ 161,697**	**$ 398,505**
Mineral interests	**-**	**14,042,285**	**14,042,285**
Other	**-**	**-**	**-**
	$ 236,808	**$ 14,203,982**	**$ 14,440,790**

	2007		
	Canada	Brazil	Consolidated
Current assets	$ 171,946	$ 61,912	$ 233,858
Mineral interests	-	9,320,940	9,320,940
Other	10,009	-	10,009
	$ 181,955	$ 9,382,852	$ 9,564,807

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(Expressed in Canadian Dollars)

13. Commitments and Contingencies

Vila Porto Rico Property

The Matapi agreement regarding the Company's option to acquire a 100% interest in the Vila Porto Rico property requires the Company to issue 966,250 common shares to Matapi upon receipt by the Company of an independent study that confirms a mineable reserve (in the probable category or better) of at least 2,000,000 ounces of gold on this property.

The Carneiro agreements require payments (payable in kilograms of gold) that may be paid or payable at the option of the Company as follows:

	South of Pacu River		North of Pacu River	
	Kilograms of Gold	$ Value	Kilograms of Gold	$ Value
2009	14.4[(1)]	431,974		
2010	70	2,099,871		
Payment if reserve is less than 2,000,000 ounces			100	2,999,816
Contingent payment for each 1,000,000 ounces of reserve in excess of 2,000,000 ounces	50	1,499,908	50	1,499,908

(All US dollar amounts have been translated into Canadian dollars using the rate of exchange as at July 31, 2008. For purposes of the required payments to be made in gold, the July 31, 2008 price of gold of $30.00 per gram has been used).

(1) The Company did not make payment of 4.4 kilograms of gold due on November 25, 2008 (see Note 1 and Note 15).

(Expressed in Canadian Dollars)

13. Commitments and Contingencies (Continued)

Limão Property

The agreement relating to the assignment of the mineral rights for the Limão property calls for future payments in both shares and cash as follows:

	Shares to be issued Number of shares	Value of Shares	Cash Payments
2009	100,000	$15,000	$98,220
2010	100,000	15,000	98,220
2011	100,000	15,000	111,316
	300,000	$45,000	$307,756
Payment if reserve contains at least 1,000,000 ounces	383,250	$57,488	

(All Brazilian real R$ amounts have been translated into Canadian dollars using the rate of exchange as at July 31, 2008. For purposes of the required payments to be made in shares, the July 31, 2008 share price of $0.15 per share has been used).

All commitments and contingent commitments under all Villa Porto Rico and Limão agreements are required at the option of the Company. Should the Company choose not to make such payments, any interests in the properties or the mineral rights would revert back to the respective vendors.

14. Comparative Figures

Certain of the comparative figures have been reclassified to conform to the current year's financial statement presentation.

15. Subsequent Event

The Company did not make an option payment of 4.4 kilograms of gold due on November 25, 2008 under the terms of the First Carneiro agreement. (See Note 3(ii)(c)). As a result the Company may lose all of its interest in the Vila Porto Rico property, including forfeiting all payments made to date. However, the Company is in advanced negotiations with the holder of the First Carneiro agreement and expects to reach a settlement concerning payment of this option payment as well as the 10 kilograms of gold option payment due on July 28, 2009. The Company believes it will be able to successfully negotiate a settlement of these payments and has not written down the carrying value of the property.