



AMERIX PRECIOUS METALS CORPORATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR QUARTER ENDED JANUARY 31, 2008

MARCH 28, 2008

Disclosure Regarding Forward-Looking Statements

This Management Discussion and Analysis contains certain “Forward-Looking Statements” within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Corporation’s expectations are disclosed in the Corporation’s documents filed from time to time with the TSX Venture Exchange and, among others, the Ontario Securities Commission as well as under the heading “Risk Factors” in the Management Discussion and Analysis.

OVERVIEW

Amerix Precious Metals Corporation (the "Corporation" or "Amerix") is a junior resource company involved in the acquisition, exploration and development of mineral properties. The Corporation presently has interests in two mineral properties located in Brazil – the Limão Property and the Vila Porto Rico Property. All monetary values within this document are in Canadian Dollars unless otherwise stated.

During the six months ended January 31st, 2008, the Corporation's activities included the following material events:

On August 1st, 2007, the Corporation announced the finalization of the transfer of the mineral rights in respect of the Limão Property located in north-central Brazil to the Corporation. Pursuant to an agreement for the assignment and transfer of mineral rights among Amerix, Matapi Exploração Mineral Ltda. ("Matapi") and Mineração Vila Porto Rico Ltda. ("MVPR"), the Company's wholly owned Brazilian subsidiary, Matapi formally assigned the minerals rights in respect of the Limão Property to MVPR in consideration for an aggregate of 400,000 common shares of Amerix to be issued over three years and approximately \$290,000 payable over three years. Matapi retained a two per cent net smelter return royalty in respect of the Limão Property and will receive an additional 383,250 common shares of Amerix if a technical report in compliance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators evidencing the existence of at least 1,000,000 ounces of gold is delivered in respect of the Limão Property.

On August 9th, 2007, the Corporation announced the completion of the brokered private placement with Coniston Investment Corp. ("Coniston") of 15,090,000 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 entitles the holder thereof to purchase one additional common share of Amerix at a price of \$0.35 at any time until August 8th, 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 December 9th, 2007, 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. As consideration for its services in connection with private placement, Coniston received a cash commission of \$296,600. In addition, Coniston received a broker warrant (the "Broker Warrant") exercisable for 1,483,000 units of Amerix. Each such unit consists of one common share of Amerix and one-half of one common Warrant. The Broker Warrant is exercisable at a price of \$0.25 per Broker Unit until August 8th, 2008.

On October 1st, 2007, the Corporation announced the signing of two drilling contracts - one with Geologica e Sondagens Ltda. (GEOSOL), Belo Horizonte, Brazil, and the other with Kluane International Drilling, Inc ("Kluane"). These contracts allow for up to 5,000 metres of core drilling and are a continuation of the drilling program at the Ouro Roxo Project in the Vila Porto Rico Property.

On October 24th, 2007, the Corporation announced that Kluane was drilling at the Ouro Roxo Project in the Vila Porto Rico Property. Kluane had completed 624 metres of drilling in four holes within the northern extension of the Ouro Roxo deposits. GEOSOL commenced work in early September and had completed 648 metres of drilling in five holes.

Geologic mapping along trend to the north of the Ouro Roxo deposits revealed an extension of the north-south shear zone for some 2 kilometres to the Pacú River across older inactive garimpeiro excavations which contained mineralized veins of similar character, composition, and orientation to those in Ouro Roxo deposits. Additional geologic mapping identified a parallel north-trending gold-mineralized shear zone approximately 1.5 kilometres to the west of the Ouro Roxo deposits.

On November 16th, 2007, the Corporation announced that the closing price of the common shares of Amerix on the TSX Venture Exchange had been greater than \$0.45 per share over a period of ten consecutive trading days and, accordingly, Amerix accelerated the expiry of the warrants originally issued on April 7, 2006 and amended as announced on March 26th, 2007.

On December 3, 2007 the Corporation appointed Jeffrey Reeder as Chief Executive Officer and President and Dan Hamilton as Chief Financial Officer. The Corporation also appointed Mr. Gregory Liddy and Mr. William Whitehead to the Board of Directors.

On December 13, 2007 the Corporation provided an update on the exploration program at the Vila Porto Rico Property. The Corporation announced that Kluane drilled 28 new holes for a total of more than 4,500 metres of core at the Ouro Roxo deposit. This drilling program is expanding upon the 69 drill-hole program that was completed previously at the Ouro Roxo deposit. The Corporation also announced that initial assay results for eight complete holes for the Ouro Roxo North (“ORO”) zone were received from GEOSOL. Significantly, the drilling, assaying and visual description of the cores from the ORO zone show that gold mineralization extends at least 600 metres farther north than known before this new drilling program and is open-ended to the north.

On December 17, 2007, the Corporation appointed Mr. Luciano Borges to the Board of Directors.

At the annual and special meeting of the shareholders of the Corporation held on January 17, 2008, the shareholders of the Corporation elected the four nominees of management, Jeffrey Reeder, Gregory Liddy, William Whitehead and Luciano Borges, to the board of directors of the Corporation and approved the new stock option plan as described in the management information circular dated December 17, 2007. The Corporation granted incentive stock options to its directors, officers, consultants and employees under the new stock option plan for the purchase of 2,500,000 common shares of the Corporation for a period of five years at a price of \$0.30 per share. The board of directors of the Corporation appointed Jeffrey Reeder, Gregory Liddy and William Whitehead as members of the audit committee of the board of directors and appointed Gregory Liddy as the chairman of the audit committee.

On January 18, 2008, the Corporation issued 100,000 shares as partial consideration under the terms of its agreement for the assignment and transfer of the mineral rights of its Limao property.

On January 23, 2008 the Corporation announced that core drilling had resumed at the Ouro Roxo deposit on its Vila Porto Rico Property in the Tapajos District of Brazil. The drilling is being concentrated in the Ouro Roxo North and will continue to test both the lateral and up dip continuity of the high-grade zones revealed by previous drilling. The Corporation will also re-drill at least two holes drilled by RTZ for certification purposes.

Subsequent to January 31st, 2008, the Corporation's activities included the following material events:

On March 26, 2008, the Corporation reported additional results of its recently completed drilling program in the Ouro Roxo mining prospect in the Vila Porto Rico (VPR) Exploration Licenses in the Tapajós Gold Province in Brazil. Thirty-eight new holes were drilled and approximately 5800 metres of core were recovered. Assays have been reported already for eight of these holes (news release of December 13, 2007). New assays are now available for 16 additional holes; 12 in the Ouro Roxo North gold-bearing zones and 4 in Ouro Roxo Middle. Highlights from the new drilling results include 4 meters of 14.4 g/t gold in hole AORN-60 and 1.1 meters of 37.38 g/t gold within a 11.65 meter interval grading 4.28 g/t gold in hole AORN-85. To expedite the quantification of the Ouro Roxo gold resource, a closely spaced mechanized and hand auger drill program is underway and will be expanded to encompass much of the VPR area. The initial hand auger program will consist of several hundred closely spaced one meter hand auger holes designed to locate and define the surface expression of the known gold zones. These zones will be followed up by mechanized auger drilling capable to drill to depths of 30 meters. It is the Corporation's intention to include the mechanized auger drill samples in the overall gold resource at Ouro Roxo. The Corporation believes that hand and mechanized auger drilling is most efficient and cost effective exploration method in this type of terrain. In addition, a topographic survey of the entire VPR area is in progress.

On March 28, 2008, the Company announced that, as a result of an internal management review of its option agreements to acquire a 100% interest in its Vila Porto Rico ("VPR") property, it will restate the Mining Properties note and Commitment and Contingencies note in its previously reported consolidated financial statements for the year ended July 31, 2007 and interim unaudited consolidated financial statements for the period ended October 31, 2007 to properly disclose the option payments relating to the agreements signed with the original mineral rights holder ("Carneiro") of the VPR property. The Company anticipates filing the restatements shortly, along with revised MD&A's. The Company's previously reported financial results, financial position and cash flows will not change as a result of the note restatements.

Management's review concluded that the previously issued consolidated financial statements did not adequately reflect all the terms of the two option agreements entered into between the Company and Carneiro on July 28, 2004. One agreement relates to the portion of the VPR property south of the Pacu River and the other agreement relates to

the property north of the Pacu River, an east-west trending river located on exploration licenses 852726/93 and 852678/93. Specifically, for the agreement relating to the property south of the Pacu River, the Company's consolidated financial statements did not disclose that, in addition to the previously disclosed payments required should the reserve, in the probable category or better, be less than 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 reserves determined in excess of 2,000,000 ounces. In addition, the Company's financial statements did not disclose that, for the agreement relating to the property north of the Pacu River, should the property contain a reserve in the probable category or better of less than 2,000,000 ounces the Company is nonetheless required to make a payment of 100 kilograms of gold and should the property contain a reserve in the probable category or better in excess of 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 reserves determined.

Warrant & Option exercises

During the six months ended January 31, 2008 the following warrant and option exercises and expiries occurred:

An aggregate of 1,025,000 share purchase warrants were exercised in exchange for 1,025,000 shares at a price of \$0.40 per share and 775,000 share purchase warrants were exercised in exchange for 775,000 shares at a price of \$0.35 per share;

An aggregate of 624,000 stock options were exercised in exchange for 624,000 shares at a price of \$0.25 per share; and

On December 13, 2007, 1,975,000 share purchase warrants with an exercise price of \$0.40 expired and 150,000 stock options with an exercise price of \$0.25 expired on December 16, 2007.

Subsequent to January 31, 2008, 100,000 stock options were exercised in exchange for 100,000 shares at a price of \$0.30 per share and 50,000 stock options with an exercise price of \$0.35 per share expired on March 17, 2008.

The Corporation does not presently have sufficient financial resources to complete, by itself, the exploration required to develop its properties to an advanced stage. The exploration and development of the Corporation's properties will therefore depend upon the Corporation's ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There is no assurance that the Corporation will be successful in obtaining the required financing.

The Corporation incurred a net loss for the quarter of \$570,504 (2007- \$429,559) and a net loss of \$747,216 for the six months ended January 31, 2008 (2007 - \$535,982), as detailed in the following tabulation:

| Canadian Dollars | Quarter ended January 31 | | Six Months ended January 31, | |
|---------------------------------|--------------------------|---------------------|------------------------------|---------------------|
| | 2008 (Unaudited) | 2007 (Unaudited) | 2008 (Unaudited) | 2007 (Unaudited) |
| Expenses | | | | |
| Stock-based compensation | 519,103 | 291,758 | 569,258 | 342,708 |
| Management fees | 36,406 | 15,188 | 62,469 | 27,188 |
| Professional fees | 45,481 | 18,389 | 60,147 | 45,244 |
| Travel and promotion | 1,097 | 7,517 | 4,566 | 7,517 |
| Transfer agent & filing fees | 17,304 | 10,714 | 21,217 | 14,539 |
| Office and general | 9,313 | 12,876 | 18,097 | 26,321 |
| Rent | 3,452 | 708 | 4,055 | 1,392 |
| Investor relations | 39,641 | 29,050 | 72,405 | 50,471 |
| Loss (gain) on foreign exchange | (102,007) | 5,229 | (66,427) | (18,251) |
| General exploration | - | 37,406 | - | 37,406 |
| Amortization | 714 | 724 | 1,429 | 1,447 |
| | | | | |
| Total Expenses | 570,504 | 429,559 | 747,216 | 535,982 |
| | | | | |
| Net loss for period | (570,504) | (429,559) | (747,216) | (535,982) |

The cash expenses increased for the reasons summarized below:

During the six months ended January 31, 2008, stock-based compensation increased to \$569,258, compared to \$342,708 in 2007, due to the granting of 2,500,000 stock options in January 2008. Management fees increased to \$62,469, compared to \$27,188 in 2007, primarily due to the engagement of a President and Chief Executive Officer and Chief Financial Officer in December 2007 and a Technical Advisor in February 2007; Investor relations increased to \$72,405, compared to \$50,471 during the same period in 2007, as the Corporation increased its European investor relations and marketing activities in 2008; and professional fees increased to \$60,147 during the six months ended January 31, 2008, compared to \$45,244 during 2007, due predominately to higher legal and audit fees in the current period. Foreign exchange was a gain of \$66,427 during the first six months of 2008 compared to a gain of \$18,251 in 2007, due to the strengthening of the Brazilian Real relative to the Canadian dollar during the period. General exploration expenditure is lower as 2007 expenditures of \$37,406 relate to property evaluation.

All other cash and non-cash expenses were in line with those experienced in the prior financial year.

SELECTED ANNUAL INFORMATION

The following table sets out selected financial information of the Corporation for the past three years. The Corporation's financial year end is July 31st.

| | Year Ended July 31st, 2007 (Audited) \$ | Year Ended July 31st, 2006 (Audited) \$ | Year Ended July 31st, 2005 (Audited) \$ |
|--|---|---|---|
| Net Income (Loss) | (980,191) | (1,154,653) | (583,589) |
| Net Loss per Share | (0.02) | (0.03) | (0.02) |
| Working Capital | 9,778 | 3,307,800 | 567,941 |
| Properties: | | | |
| Deferred Acquisition & Exploration Costs | 9,320,940 | 6,308,559 | 6,354,581 |
| Other Assets | 10,009 | 10,248 | 10,863 |
| Long Term Liabilities | Nil | Nil | Nil |
| Total Assets | 9,564,807 | 9,985,652 | 7,138,595 |
| Shareholders' Equity | | | |
| Dollar amount | 9,340,727 | 9,626,607 | 6,933,385 |
| Number of Shares Outstanding | 45,274,973 | 44,774,973 | 36,324,973 |

The Corporation's working capital as at January 31st, 2008 was \$1,698,126 compared to \$9,778 at July 31, 2007 due to an increase in cash and cash equivalents as a result of funds received from the private placement in August 2007 and exercise of warrants and options during the six months ended January 31, 2008.

Total assets of the Corporation increased to \$13,932,834 as at January 31, 2008, compared to \$9,564,807 at the end of the previous financial year, due to the increase in working capital and deferred exploration costs.

The Corporation is a junior exploration company with no revenue generating properties.

The loss recorded in 2006 was higher than the preceding year due to non-cash charges to income arising out of the sale of the Santo Domingo Project (\$452,770) and increased expenditures on Investor Relations (\$123,762). The loss in 2007 was lower than 2006 due to increased management costs and increased non-cash charges for stock based compensation, more than offset by the 2006 loss from the Santo Domingo Project.

For further audited financial information, please refer to the Corporation's consolidated audited financial statements that have been filed on SEDAR.

RESULTS OF OPERATIONS

Brazilian Properties

Vila Porto Rico

In 1997, the Corporation negotiated an option agreement with Matapi Exploração Mineral Ltda. (“Matapi”), a Brazilian company, to acquire a 70 per cent interest in Matapi’s Vila Porto Rico Property located west of the Tapajós Garimpeiro reserve, in north-central Brazil. The Vila Porto Rico Property is 40,000 hectares in extent and is divided into 4 equal-sized 10 kilometer by 10 kilometer claim blocks. Under the option agreement, the Corporation was to make payments totaling US\$715,000 over three years and carry out exploration programs with expenditures of US\$2.25 million within the same three year period. Upon fulfillment of these terms, Matapi was to be awarded a 30 per cent shareholding in the Corporation’s subsidiary holding the Vila Porto Rico Property.

A technical report dated October, 1997 was prepared for the Corporation by Behre Dolbear & Company Ltd. and Behre Dolbear Chile & Cia. Ltda. (Dolbear) with respect to the Vila Porto Rico Property. The report is filed on SEDAR and is available for review at www.sedar.com.

During 1998, the option agreement with Matapi was renegotiated such that the Corporation was to acquire 100 per cent of the Vila Porto Rico Property subject to (i) paying US\$715,000 in four stages over three years, and (ii) issuing 1,966,250 common shares in five stages, being four stages of 250,000 common shares each, and the remaining 966,250 common shares being contingent upon the delivery of an independent study identifying at least 2,000,000 ounces of gold in the probable reserve category. There were no continuing work expenditure requirements. All payments to Matapi were optional to the Corporation. Matapi retained a maximum 2.0 per cent net smelter return royalty (“NSR”) that could be purchased by the Corporation for US\$800,000 at any time. The Corporation closed the property transaction in July 1998 by making a cash payment of US\$115,000 and issuing 250,000 common shares. From 1997 through 2003, title to the Vila Porto Rico Property was held by Mineração Vila Porto Rico Ltda., the Corporation’s Brazilian subsidiary, via Mineral Exploration Licenses, Numbers 3647-3650 dated November 25, 1997 as granted by the Brazilian Department of Mines.

In August, 1999, the Corporation paid a further US\$125,000 and issued 250,000 common shares to Matapi.

On May 22, 2001, the Corporation entered into an amending agreement with Matapi with respect to the Vila Porto Rico Property in relation to the Corporation’s option to acquire a 100 per cent interest therein. The consideration for the exercise of the option was amended as follows:

- (a) a payment of US\$240,000 (instead of US\$715,000), as already paid by the Corporation;
- (b) a 1.5 per cent NSR, with a buyout of US\$1,275,000 (which may be paid down, in whole or in part, at any time by the Corporation); and

- (c) 1,966,250 common shares of the Corporation of which 500,000 common shares had been issued and the balance of 1,466,250 common shares were issuable to Matapi upon receipt by the Corporation of an independent study that confirmed a reserve (in the probable category or better) of at least 2,000,000 ounces of gold on the Vila Porto Rico Property.

On July 31, 2003, Mineração Vila Porto Rico Ltda., the Corporation's Brazilian subsidiary, was granted four new Mineral Exploration Licenses, Numbers 5827-5830 dated July 25, 2003 by the Brazilian Department of Mines in respect of the Vila Porto Rico Property.

On November 13, 2003, the Corporation entered into a new agreement with Matapi with respect to the Vila Porto Rico Property in relation to the Corporation's option to acquire a 100 per cent interest therein. The consideration for the option was agreed as follows:

- (a) a payment of US\$400,000 to Matapi in installments during the 2004 to 2006 period;
- (b) a 2.0 per cent NSR, with a buyout of US\$800,000 (which may be paid down at any time by the Corporation on the basis of US\$200,000 for each one-quarter or 0.5 per cent of the NSR acquired); and
- (c) 1,466,250 common shares of the Corporation of which 250,000 common shares were issued on January 1, 2004 and 250,000 common were to be issued on September 1, 2004. The balance of 966,250 common shares is to be issued to Matapi upon receipt by the Corporation of an independent study that confirmed a reserve (in the probable category or better) of at least 2,000,000 ounces of gold on the Vila Porto Rico Property.

On July 28th, 2004, the Corporation through its wholly-owned Brazilian subsidiary Mineração Vila Porto Rico Ltda. ("VPR"), entered into two purchase option agreements with the original mineral rights holder of the Vila Porto Rico property ("Carneiro"). Under the terms of these agreements the option to purchase the Vila Porto Rico Property was extended through July 2010. One agreement relates to the portion of the property south of the Pacu River and one agreement relates to the portion of the property north of the Pacu River. The Pacu River is an east-west trending river located on exploration licenses 852726/93 and 852678/93.

The Carneiro agreement relating to the portion of the property south of the Pacu River contains the following significant terms:

- (i) payment of US\$500,000 through various installments by July 2006;
- (ii) payment of 100 kilograms of gold, should this portion of the property be determined to have a reserve, in the probable or better category, of up to 2,000,000 ounces, payable as follows:

On or before July 28 2007 – 10 kilograms of gold
On or before July 28, 2008 – 10 kilograms of gold
On or before July 29, 2009 – 10 kilograms of gold
On or before July 28, 2010 – 70 kilograms of gold

- (iii) should the reserve 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 amended 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 reserve in the probable or better category of less than 2,000,000 ounces of gold on this portion of the property; and
- (ii) should the reserve 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.

On July 30th, 2004, the Corporation announced that it had reached agreement with the local garimpeiro operation at the Ouro Roxo deposit on the Vila Porto Rico Property. Under the terms of this agreement (the “Garimpeiro Agreement”) the Corporation ceded a 150 hectare area within the 40,000 hectare Vila Porto Rico Property to the garimpeiro who will be permitted to work the eluvial material and the associated tailings.

On August 3rd, 2004, the Corporation signed a new option agreement with Matapi which establishes a revised payment schedule under which the Corporation will acquire from Matapi an undivided 100 per cent right, title and interest in the Vila Porto Rico Property (subject to the Garimpeiro Agreement) such that:

- (a) the Corporation will pay Matapi US\$80,000 over the period through March 2006;
- (b) the Vila Porto Rico Property will be subject to a 2.0 per cent NSR, with a buyout of US\$800,000 (which may be paid down, in whole or in part, at any time by the Corporation); and
- (c) 1,216,250 common shares of the Corporation of which 250,000 common shares were issued on September 1, 2004 and the balance will be issuable to Matapi upon receipt by the Corporation of an independent study that confirms a reserve (in the probable category or better) of at least 2,000,000 ounces of gold on the Vila Porto Rico Property.

In August 2004, the necessary camp and support equipment was purchased and Mineração Vila Porto Rico Ltda. established an exploration camp to support drilling operations and other field operations.

On November 22nd, 2004, the Corporation announced that a 5,000-meter drill program had commenced at the Vila Porto Rico Property. The initial diamond drilling occurred at Ouro Roxo North and was comprised of 1,000 meters in six holes which extended the drill grid started by RTZ/CRA in 1995 and 1996 on the 429.5 North, 200 North and 100 North Sections.

On December 15th, 2004, the Corporation reported that the first phase of diamond drilling at Ouro Roxo North had been completed and a total of 1,112 meters had been drilled in six holes.

On February 14th, 2005, the Corporation announced the results from the first three drill holes at Ouro Roxo North at the Vila Porto Rico Property.

On March 1st, 2005, the Corporation announced the results of the second three drill holes at Ouro Roxo North at the Vila Porto Rico Property and the commencement of drilling of a 14-hole program on Ouro Roxo South.

On May 17th, 2005, the Corporation announced the completion of 13 diamond drill holes (1,340.7 meters) of a 14-hole program (1,380 meters) to test the geochemical anomaly at Ouro Roxo South (Pimenteiras). Assay results from the first three holes identified gold mineralization and the Corporation believes that Ouro Roxo South (Pimenteiras) has the potential similar to Ouro Roxo North (Buriti).

On August 15th, 2005, the Corporation provided a further progress report on exploration activities at the Vila Porto Rico Property, including further assay results from Ouro Roxo North, where hole number 27 intersected a mineralized zone 148 meters below the collar, which averaged 7.7 grams of gold per tonne over 18 meters, including 25.5 grams of gold per tonne over 5 meters.

On October 25th, 2005, the Corporation announced the discovery of extensive gold mineralization at Nova Brasilia at the Vila Porto Rico Property. The mineralized zone extends for at least 550 meters and yielded grab samples assaying up to 162.74 grams of gold per tonne.

On November 28th, 2005, the Corporation announced the discovery of gold mineralization at Carumbé at the Vila Porto Rico Property. The mineralized zone is similar to the Nova Brasilia mineralization and yielded grab sample assays of 57.47, 20.72, 1.86 and 5.34 grams of gold per tonne.

In July 2005, the Corporation engaged Behre Dolbear & Company (USA), Inc, to complete a report on the Vila Porto Rico Property and to present its findings in a document that complied with the requirements of Canadian National Instrument 43-101, Standards of Disclosure for Mineral Projects (“NI 43-101”).

In November 2005, the Corporation engaged Senior Engenharia Ltda. of Belo Horizonte, Minas Gerais, Brazil to complete a resource report for the Ouro Roxo deposit. This report was incorporated in a petition to the 5th District of the Departamento Nacional da Produção Mineral (DNPM) to increase the term of the exploration concessions granted to Mineração Vila Porto Rico in 2003 and/or to extend these exploration concessions by an additional three years.

In January 2006, the Corporation engaged SRK Consulting (Canada) Inc. to incorporate the results of the resource report completed by Senior Engenharia Ltda. of Belo Horizonte into a technical report which complied with the requirements of NI 43-101.

On June 23rd, 2006, the Corporation reported that an independent NI 43-101 Technical Report on the Vila Porto Rico Property had been prepared and filed on SEDAR. The report, dated June 20, 2006 was completed by SRK Consulting (Canada) Inc. in collaboration with SRK (Brazil).

In their report to the Corporation, SRK opined that:

- Both the Ouro Roxo North and South deposits are open along the strike of the shear zone to the north and south of each deposit. SRK believes that there is sufficient evidence to indicate that the auriferous zones within the Ouro Roxo deposits are continuous.
- SRK believes there is a good possibility of extending the gold mineralization as well as discovering new auriferous shoots to the north and south of the current

resources.

- Ouro Roxo North is open at depth and the deposit has good potential of extending gold mineralization as well as discovering new shoots of gold mineralization down dip of the current resources.
- SRK considers the entire Cantagalo-Ouro Roxo structure highly prospective for gold mineralization.
- SRK considers that the regional shear is proven as a large hydrothermal conduit of gold bearing mineralized fluids and the numerous gold showings including Pachiúba, Inferno Verde and Nova Brasília confirm the extent of the mineralization.
- The Ouro Roxo North and South deposits also demonstrate that the system is capable of hosting significant gold resources.

SRK computed an inferred resource estimate of 1.34 million tonnes at a grade of 5.8 grams of gold per tonne containing 252,000 ounces of gold. The SRK estimate was based on 27 drill holes on sections approximately 100 metres apart, using the inverse distance method and a cut off grade of 1.0 gram of gold per tonne.

On July 4th, 2006, the Corporation provided an update on the drill program at the Vila Porto Rico Property. Through June 30th, 2006, the Corporation's drill contractor, Kluane had completed 1,866 meters of diamond drilling in 11 holes.

On August 8th, 2006, the Corporation provided an update on the drill program at the Vila Porto Rico Property. Through July 31st, 2006, Kluane had completed 2,470 meters of diamond drilling in 14 holes. The initial phase of the drill program, which commenced on April 25th, 2006, was designed to test and confirm the target at Nova Brasilia along strike and at depth.

On September 21st, 2006, the Corporation announced the first assay results from the 2006 exploration program at the Vila Porto Rico Property. Through August 31, 2006, drilling along the mineralized shear zone totaled 2,740 m in 16 diamond drill holes. Geologic mapping and geochemical soil surveys indicated that the Nova Brasilia shear zone is at least 2.5 km long, with 1.6 km yet to be drilled and tested. The potential for structures that branch off the Nova Brasilia shear zone is considered to be equally important. In addition, 4-5 drill targets were identified along structures unrelated to the Nova Brasilia shear zone in the northern part of the Vila Porto Rico Property.

On September 28th, 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 MVPR. These licenses cover the properties contiguous with the original Vila Porto Rico Property on its northern and eastern boundaries and comprise 9,875.43 hectares and 8,361.07 hectares, respectively.

On October 5th, 2006, MVPR filed an official memo with the DNPM advising that exploration activities had commenced on the properties to the north and east of the original Vila Porto Rico Property. These additional exploration licenses allow MVPR to expand its exploration program

into the northerly extension of the Vila Porto Rico shear zone. The eastern claim is adjacent to Nova Brasilia and Inferno Verde and exhibits important and promising structures indicative of additional mineralized zones.

On October 18th, 2006, the Corporation reported progress on the second phase of diamond drilling which began in mid-September at Carumbé on the Vila Porto Rico Property. The Corporation also reported that new exploration concessions had been granted for the Limão Property and for an easterly extension to the original Vila Porto Rico Property.

On November 22nd, 2006, the Corporation announced that the DNPM (Departamento Nacional da Produção Mineral – Brazilian Government Mining Bureau) had renewed all four of its exploration licenses for the Vila Porto Rico Property. These exploration licenses are valid for three years and were granted to MVPR which is wholly-owned by Amerix.

On December 28th, 2006, the Corporation reported the assay results from 15 drill holes on the Nova Brasilia shear zone at the Vila Porto Rico Property. Several high-grade gold-bearing sulfide zones were intersected, and these zones appear to be continuous for a long distance (0.9 kilometres).

On January 17th, 2007: The Corporation announced positive results from its sampling program of the Ouro Roxo tailings at the Vila Porto Rico Property. The laboratory reported gold grades from 84 samples (55% of all samples), which range in value from 40 ppb to 6,701 ppb over one-metre sections and average 1,741 ppb.

The best intersections included:

- 3.369 g/t Au over 4.0 metres;
- 3.992 g/t Au over 4.9 metres; and
- 3.005 g/t Au over 6.0 metres.

On February 27th, 2007, the Corporation provided an update on the exploration program at the Vila Porto Rico Property and reported encouraging drill results from the Ouro Roxo Project. The major gold-producing pits and shafts on the property are located within the North-South trending Ouro Roxo fault zone, which is 1 to 2 kilometres wide, and has been traced over a strike length of more than 25 kilometres. The Corporation announced that 18 additional core holes (2,809.45 m) had been completed on the Ouro Roxo Project, for a total of 69 holes. Eight holes were completed to test the two kilometre long area between these Ouro Roxo Norte and Sur, now called Ouro Roxo Medio.

On March 28th, 2007, the Corporation announced a summary of the results of drilling at the Nova Brasilia project in the Vila Porto Rico Property. The results included a synthesis of the data and a drill hole location map. Drill results tested a 1.2 kilometre long gold zone and the best results were obtained in the southern 600 metres of the drilling area. Significant gold values were encountered in the area of drill holes ANB 25 and ANB 26 in section 9700N, located 200 metres north of the New Aracati open pit. Drill hole ANB 26 intersected 1.4 m @ 5.3 g/t from 45.6 – 47.0 metres; however no core was recovered above this interval due to poor drilling conditions in weathered bedrock (saprolite development). The gold intercept is potentially open up-dip and near surface. Drill results will be integrated with surficial geological and geochemical data and

additional mapping and sampling will be conducted, prior to planning additional drilling later during 2007.

On April 16th, 2007, the Corporation reported preliminary results from the Carumbé Project, in the Vila Porto Rico Property. Initial assay results contained high-grade gold values (up to 135 g/t Au) in drill holes ACR 33 and ACR 34, which were drilled from the same drill pad at different inclinations in section 5020N adjacent to the Carumbé open pit. Drill hole ACR 33 intersected 1.0 m @ 6.1 g/t from metres 114.0 to 115.0; drill hole ACR 34 intersected a weighted average 2.8 m @ 40.3 g/t from metres 212.18 to 214.50.

On May 1st, 2007, the Corporation announced encouraging drill results from the Ouro Roxo Project in the Vila Porto Rico Property. The Corporation completed 18 angle core holes on the project during the first quarter of 2007, bringing the total number of holes on the Ouro Roxo Project to 69. Results from the second group of nine holes further demonstrate the continuity of the gold mineralization for more than 3 kilometres from the Ouro Roxo North zone to the Ouro Roxo South zones through the Ouro Roxo Medio zone.

On May 10th, 2007, the Corporation announced additional encouraging assay results from the 2007 drilling on the Ouro Roxo Project in the Vila Porto Rico Property.

On June 25th, 2007, the Corporation announced the results of its channel sampling program on high-grade gold veins at the Ouro Roxo Project in the Vila Porto Rico Property, which returned values of up to 475 g/t.

On October 1st, 2007, the Corporation announced the signing of two drill contracts, one with GEOSOL and the other with Kluane . These contracts allow for up to 5,000 metres of core drilling and are a continuation of the drilling program at the Ouro Roxo Project in the Vila Porto Rico Property.

On October 24th, 2007, the Corporation announced that Kluane was drilling at the Ouro Roxo Project in the Vila Porto Rico Property. Kluane had completed 624 metres of drilling in four holes within the northern extension of the Ouro Roxo deposits. GEOSOL commenced work in early September and had completed 648 metres of drilling in five holes.

Geologic mapping along trend to the north the Ouro Roxo deposits revealed an extension of the north-south shear zone for some 2 kilometres to the Pacú River across older inactive garimpeiro excavations which contain mineralized veins of similar character, composition, and orientation to those in Ouro Roxo. Additional geologic mapping identified a parallel north-trending gold-mineralized shear zone approximately 1.5 kilometres to the west of the major Ouro Roxo zone.

On December 13, 2007 the Corporation provided an update on the exploration program at the Vila Porto Rico Property. The Corporation announced that Kluane drilled 28 new holes for a total of more than 4,500 metres of core at the Ouro Roxo deposit. This drilling program is expanding upon the 69 drill-hole program that was completed previously at the Ouro Roxo deposit. The Corporation also announced that initial assay results for eight complete holes for the Ouro Roxo North (“ORO”) zone were received from GEOSOL. Significantly, the drilling, assaying and visual description of the cores from the ORO zone show that gold mineralization extends at least 600 metres farther north than known before this new drilling program and is open-ended to the north.

On March 26, 2008, the Corporation reported additional results of its recently completed drilling program in the Ouro Roxo mining prospect in the Vila Porto Rico (VPR) Exploration Licenses in the Tapajós Gold Province in Brazil. Thirty-eight new holes were drilled and approximately 5800 metres of core were recovered. Assays have been reported already for eight of these holes (news release of December 13, 2007). New assays are now available for 16 additional holes; 12 in the Ouro Roxo North gold-bearing zones and 4 in Ouro Roxo Middle. Highlights from the new drilling results include 4 meters of 14.4 g/t gold in hole AORN-60 and 1.1 meters of 37.38 g/t gold within a 11.65 meter interval grading 4.28 g/t gold in hole AORN-85. To expedite the quantification of the Ouro Roxo gold resource, a closely spaced mechanized and hand auger drill program is underway and will be expanded to encompass much of the VPR area. The initial hand auger program will consist of several hundred closely spaced one meter hand auger holes designed to locate and define the surface expression of the known gold zones. These zones will be followed up by mechanized auger drilling capable to drill to depths of 30 meters. It is the Corporation's intention to include the mechanized auger drill samples in the overall gold resource at Ouro Roxo. The Corporation believes that hand and mechanized auger drilling is most efficient and cost effective exploration method in this type of terrain. In addition, a topographic survey of the entire VPR area is in progress.

The Corporation's ability to exercise the option and acquire an interest in the Vila Porto Rico Property is conditional upon the Corporation having sufficient finances to make, and making, all required payments. There is no guarantee the Corporation will have the funds required to make, or make, such payments. If not, the Corporation may lose all of its interest in the Vila Porto Rico Property, including forfeiting all payments made to date. See "Risk Factors".

Limão

During 1997, the Corporation negotiated an option agreement with Cooperativa Mineral do Vale do Rio Tocantins Ltda. ("UNITINS"), a Brazilian company, to acquire a 70 per cent interest in the Limão Property (the "Limão Property") in north-central Brazil. The Limão Property covers approximately 11,812 hectares in the Tapajós Garimpeiro reserve. Under the option agreement, the Corporation was to make payments totaling US\$285,000 over three years and carry out exploration programs with expenditures of US\$2.25 million within the same three year period. Upon fulfillment of these conditions, UNITINS was to be awarded a 30 per cent shareholding in the Corporation's subsidiary holding the Limão Property.

A technical report dated October, 1997 was prepared for the Corporation by Behre Dolbear & Company Ltd. and Behre Dolbear Chile & Cia. Ltda. (Dolbear) with respect to the Limão Property. The report is filed on SEDAR and is available for review at www.sedar.com.

During 1998, the option agreement with UNITINS was renegotiated such that the Corporation was to acquire a 100 per cent interest in the Limão Property subject to (i) paying US\$285,000 in four stages over three years, and (ii) issuing 783,750 common shares in four tranches of 100,000 shares each, and with the issue of 383,750 common shares being contingent upon an independent study identifying at least 1,000,000 ounces of gold in the probable reserve category. There were no continuing work expenditure requirements. All payments to UNITINS were optional to the

Corporation. UNITINS retained a maximum 2.0 per cent NSR that could be purchased by the Corporation for US\$500,000 at any time.

During 1999, UNITINS acquired title to the Limão Property and transferred title to the Corporation's subsidiary, Mineração Vila Porto Rico Ltda. At that time, the Corporation paid US\$50,000 and issued 100,000 common shares to UNITINS. Title was held via Mineral Exploration Licenses, Numbers 329 and 330 dated January 25, 1999 as granted by the Brazilian Department of Mines.

On May 22, 2001, the Corporation entered into an amending agreement with UNITINS in relation to the Corporation's option to acquire a 100 per cent interest in the Limão Property. The consideration for the exercise of the option was amended to:

- (a) the payment of US\$110,000 (instead of US\$285,000), as already paid by the Corporation;
- (b) a 1.5 per cent NSR, with a buyout of US\$675,000 (which may be paid down, in whole or in part, at any time by the Corporation); and
- (c) 783,750 common shares of the Corporation of which 200,000 common shares have been issued and the balance of 583,750 common shares are issuable to UNITINS upon receipt by the Corporation of an independent study that confirms a reserve (in the probable category or better) of at least 1,000,000 ounces of gold on the Property.

On October 16th, 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 Exploração Mineral Ltda ("Matapi"). These licenses will be transferred to MVPR through previous agreements with Matapi. MVPR has completed the field work required for an environmental license at the Limão Property and expects to commence drilling on the property in 2008.

On July 12th, 2007, the Corporation finalized the transfer of the mineral rights in respect of the Limão property located in north-central Brazil to the Corporation. Pursuant to an agreement for the assignment and transfer of mineral rights among Amerix, Matapi Exploração Mineral Ltda. ("Matapi") and Mineração Vila Porto Rico Ltda. ("MVPR"), a wholly-owned subsidiary of Amerix, Matapi formally assigned the minerals rights in respect of the Limão Property to MVPR in consideration for an aggregate of 400,000 common shares of Amerix to be issued over three years and approximately \$296,000 payable over three years, commencing in fiscal 2008. Matapi retains a two per cent net smelter return royalty in respect of the Limão Property and will receive an additional 383,250 common shares of Amerix if a technical report in compliance with NI 43-101 evidencing the existence of at least 1,000,000 ounces of gold is delivered in respect of the Limão property.

The ability of the Corporation to retain ownership of the Limão Property is contingent on the Corporation having sufficient finances to make, and making, all required payments. There is no guarantee that the Corporation will have the funds required to make, or make, such payments. If not, the Corporation may lose all of its interest in the Limão property, including forfeiting all payments made to date. See "Risk Factors."

Almost all of the expenditures of the Corporation to date on the Limão Property have gone into acquisition payments. See "Risk Factors".

Mexican Properties

Santo Domingo Project

The Corporation acquired from Stroud Resources Ltd. (“Stroud”), 50 per cent of Stroud’s interest in Compañía Minera San Diego y La Espanola, S.A. de C.V. (“SDLE”). SDLE is a private Mexican company that holds exploitation licenses to two mineral properties located 90 kilometres north of Guadalajara, Mexico known as the *Santo Domingo II* and the *Nombre de Dios* properties and together referred to herein as the “*Santo Domingo Property*”.

On March 22nd, 2006, the Corporation and Stroud announced that Stroud had agreed, subject to financing, to acquire Amerix’s 50 per cent ownership interest in the Santo Domingo Project for consideration of Cdn\$1.8 million. On August 8th, 2006, the Corporation announced that it had completed the sale of its 50 per cent interest in the Santo Domingo Project to Stroud. Amerix retains a 5 per cent net smelter royalty on the project to a maximum of Cdn\$1.0 million.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth, for the quarter ended on the date indicated, information relating to the Corporation’s revenue, net loss and loss per common share as prepared under generally accepted accounting principles in Canada.

| | Revenues | Net Income (Loss) | Loss/Share Basic and Diluted |
|------------------|----------|----------------------|------------------------------------|
| April 30, 2006 | Nil | (260,202) | (0.01) |
| July 31, 2006 | Nil | (343,619) | (0.01) |
| October 31, 2006 | Nil | (106,423) | (0.00) |
| January 31, 2007 | Nil | (429,559) | (0.01) |
| April 30, 2007 | Nil | (215,585) | (0.00) |
| July 31, 2007 | Nil | (228,624) | (0.01) |
| October 31, 2007 | Nil | (176,712) | (0.00) |
| January 31, 2008 | Nil | (570,504) | (0.01) |

The Corporation is a junior exploration company with no revenue generating properties. Currently, the Corporation’s funding continues to be derived from issuing securities and its short-term investments.

For further quarterly financial information, please refer to the Corporation’s unaudited interim consolidated financial statements that have been filed on SEDAR.

LIQUIDITY

The Corporation's primary source of cash is from the issuance of its own securities, as it is an exploration company with interests in precious metals mining prospects. The Corporation's working capital ratio was approximately 4.66:1 as at January 31, 2008 with working capital of \$1,698,126.

The Corporation does not currently have contractual obligations with regards to any purchase obligations or financings other than the payments required in order to maintain its various mining interests. These amounts are as follows:

| Thousands of Dollars | | | | | |
|--------------------------------------|--------------|------------|------------|--------------|------------|
| Contractual Obligations | Total | 2008 | 2009 | 2010 | 2011 |
| Long Term Debt | - | - | | - | - |
| Capital Lease Obligations | - | - | | - | - |
| Operating Obligations | - | - | | - | - |
| Purchase Obligations | - | - | | - | - |
| Other Long Term Obligations | | | | | |
| Vila Porto Rico | 2,676 | 297 | 297 | 2,082 | - |
| Limão | 356 | | 115 | 115 | 126 |
| Total Contractual Obligations | 3,032 | 297 | 412 | 2,197 | 126 |

The Vila Porto Rico property obligations are for option instalment payments which are due in the 4th quarter of each year and relate to the portion of the property south of the Pacu River. Should the portion of the property south of the Pacu River contain mineable reserves (in the probable category or better) in excess of 2,000,000 ounces, the Corporation shall pay an additional 50 kilograms of gold for each 1,000,000 ounces of reserve in excess of 2,000,000 ounces. Should there be a mineable reserve (in the probable category or better) of at least 2,000,000 ounces of gold at the Vila Porto Rico property on the portion of the property north of the Pacu River the Corporation shall pay an additional 100 kilograms of gold. Should the portion of the property north of the Pacu River contain mineable reserves (in the probable category or better) in excess of 2,000,000 ounces, the Corporation shall pay an additional 50 kilograms of gold for each 1,000,000 ounces of reserve in excess of 2,000,000 ounces. All obligations for the Vila Porto Rico property are based on the gold price of US\$923.25 per ounce on January 31st, 2008.

The obligations for the Limão property represent instalment payments relating to cash payments due in the 1st quarter of each year and the issue of 100,000 shares due in the 2nd quarter of each of the years ending July 31, 2009, 2010 and 2011 as property payments for the Limão property

The Corporation plans to continue to explore the Limão and the Vila Porto Rico properties during fiscal 2008. Long term obligations will depend upon the results of these exploration programs.

Currently, the Corporation has sufficient cash reserves to meet its financial obligations for upcoming surface exploration and auger drilling programs. However, the Corporation may seek to raise additional funds to finance planned and future exploration programs should the directors deem it to be advisable. The timing and ability to fulfil this need will depend on the liquidity of the financial markets as well as the acceptance of investors to finance resource-based junior precious metals companies.

CAPITAL RESOURCES

As of January 31, 2008, the Corporation had the following capital commitments for fiscal 2008 to keep its properties in good standing:

Brazilian Projects

In order to maintain its interest in the Vila Porto Rico property the Corporation is required to make a cash payment of \$297,000 during fiscal year 2008.

Working Capital

The Corporation estimates that it requires approximately \$500,000 per year for administration and general working capital. The Corporation has sufficient funds to cover the forecast surface exploration and auger drilling expenditures on the Vila Porto Rico Property for fiscal 2008. Should drilling results warrant, the Corporation may chose to increase the projected expenditures on either or both of the Brazilian properties.

Available Funds

The Corporation currently has sufficient cash reserves to meet its financial obligations for the forecasted 2008 exploration programs, consisting mainly of surface exploration and auger drilling on the Vila Porto Rico Property. The Corporation will need to raise additional funds to finance future exploration programs. The timing and ability to fulfil this need will depend on the liquidity of the financial markets as well as the acceptance of investors to finance resource-based junior precious metals companies.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this filing, the Corporation does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect upon the results of operations or financial condition of the Corporation, including, and without limitation, such considerations as liquidity and capital resources.

TRANSACTIONS WITH RELATED PARTIES

During the six months ended January 31, 2008 the Corporation paid or accrued \$52,556 (2007 - \$27,188) in management fees to current and former officers of the company. Directors and officers are reimbursed for travel and other expenses incurred on behalf of the Corporation. At January 31, 2008, \$nil (2007 - \$11,919) was payable to former and current officers of the Corporation.

One of the Corporation's directors, prior to December 1, 2007, is a partner in a law firm which received compensation for legal services in the aggregate amount of \$41,001 (2007 - \$21,531) during the six months ended January 31, 2008.

RISK FACTORS

Investment in a natural resource company involves a significant degree of risk. The degree of risk increases substantially where the Corporation's properties are in the exploration, as opposed to the development or production stage. All of the Corporation's properties are in the exploration stage.

There are a number of risks inherent to the Corporation's business. These may be summarized as follows:

Limited Business of the Corporation: Other than the Corporation's option to acquire the Vila Porto Rico Property and the Limão Property in Brazil, the Corporation has no material non-cash assets. There is no assurance the Corporation will be able to finance the acquisition of properties or the exploration or development thereof.

Exploration and Development: All of the resource properties in which the Corporation has an interest or the right to acquire an interest are in the exploration stage and without a known body of commercial ore. Development of any resource property held or acquired by the Corporation will only follow obtaining satisfactory exploration results. Exploration for and the development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Corporation's exploration activities will result in any discovery of commercial ore.

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract reserves and to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. Few properties that are explored are ultimately developed into producing mines.

Loss of Brazilian Properties: The Corporation has not paid the full purchase price for either of the Brazilian properties and there is the risk the property vendors may seek to repossess the properties, or either of them, if the required payments are not made as scheduled.

Environmental and Government Legislation: Existing and possible future environmental legislation, regulations, and actions could cause significant expense, capital expenditures, restrictions, and/or delays in the activities of the Corporation, the extent of which cannot be predicted and which may well be beyond the capacity of the Corporation to fund. The Corporation's right to exploit any mining properties is subject to various reporting requirements and to obtaining certain governmental approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without delay or at all.

Any exploration program executed by the Corporation will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining project is affected both by production costs and by markets for the project's metals which in turn may be influenced by factors including the supply and demand for such metals, the rate of inflation, the inventories of larger producers, the political environment and changes in international investment patterns.

Environmental Factors: All phases of the Corporation's future operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation's business.

Financing: The Corporation does not presently have sufficient financial resources to complete, by itself, the exploration required to develop its properties to an advanced stage. The exploration and development of the Corporation's properties will therefore depend upon the Corporation's ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There is no assurance that the Corporation will be successful in obtaining the required financing.

Limited Operating History and Lack of Cash Flow: The Corporation has a limited business history. The Corporation has no history of earnings or cash flow from its present operations. The only present source of funds available to the Corporation is through the sale of equity or debt securities or borrowing. Even if the results of exploration are encouraging, the Corporation may not have sufficient funds to conduct further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on any property it has or it acquires and the Corporation may not realize a return on its investment. While, the Corporation may generate additional working capital through equity offerings, borrowing, sale or the joint venture development of its properties and/or a combination thereof, there is no assurance that any such funds will be available. Failure to obtain such additional capital, if needed, would have a material adverse effect on the Corporation.

The Corporation has neither declared nor paid dividends during the past five years and does not anticipate doing so in the foreseeable future.

Conflicts of Interest: Certain of the directors and officers of the Corporation are also directors, officers or shareholders of other companies that are engaged in the business of acquiring, exploring and developing natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Corporation are required by law to

act honestly and in good faith with a view to the best interests of the Corporation, to disclose any material interest which they may have in any project or opportunity of the Corporation, and to abstain from voting on such matter.

Operating Hazards and Risks: Future operations in which the Corporation has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. The nature of the risks associated with the Corporation's business are such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable, or the Corporation may elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Corporation could incur significant costs that could have a material adverse effect upon its financial condition.

The Corporation may become subject to liability for personal injury, property, or environmental damage, and other hazards of mineral exploration against which it cannot insure or against which it may elect not to insure due to high premium costs or other reasons. Payment of such liabilities could have a material adverse effect on the financial position of the Corporation.

Permits and Licenses: Upon acquisition of a property interest, the operations of the Corporation will require licenses and permits from various governmental authorities. There can be no assurance that the Corporation will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Fluctuating Prices: The Corporation's future revenues, if any, are expected to be in large part derived from the extraction and sale of precious metals. The price of those commodities fluctuates widely and is affected by numerous factors beyond the Corporation's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of precious metals, and therefore the economic viability of any of the Corporation's exploration projects, cannot be predicted accurately.

PROPOSED TRANSACTION

The Corporation has not entered into any significant transaction, nor is it currently reviewing any such transaction, that has not been discussed within this MD&A.

CHANGES IN ACCOUNTING POLICIES

During the past three years, the Corporation has not changed its accounting policies, nor does it expect that any recent new accounting pronouncements shall have any material impact on the financial condition or results of operations.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation is not involved in any hedging program, nor is it a party to any financial instruments that may have an impact on its financial position.

MANAGEMENT'S EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining a system of controls and procedures over the public disclosure of financial and non-financial information regarding the Corporation. Such controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported, on a timely basis, to senior management, including the Chief Executive Officer (CEO), and the Chief Financial Officer (CFO), so that appropriate decisions can be made by them regarding public disclosure.

The system of disclosure controls and procedures includes, but is not limited to, the effective functioning of our Audit Committee, procedures in place to systematically identify matters warranting consideration of disclosure by the Board of Directors and verification processes for individual financial and non-financial metrics and information contained in annual and interim filings, including the financial statements, MD&As and other documents and external communications.

As required by CSA Multilateral Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures was conducted, under the supervision of management, including the individual acting in the capacities of the CEO and CFO, as of July 31, 2007. The evaluation included documentation review, enquiries and other procedures considered by management to be appropriate in the circumstances.

Based on that evaluation, the individual acting in the capacities of CEO and CFO concluded that the design and operation of the system of disclosure controls and procedures was effective as of July 31, 2007.

The CEO and CFO are also required to file certifications of our interim filings. Copies of these certifications may be found on SEDAR at www.sedar.com.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management of the Corporation is responsible for designing internal controls over financial reporting for the Corporation as defined under MI 52-109. Management has designed such internal controls over financial reporting, or caused them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Corporation has only three head office employees and as such is not able to design a traditional control system that relies on the segregation of duties. Since the appointment of new Management, effective December 1, 2007, this weakness is compensated for by the increased review by the CEO and CFO of all transactions and cash disbursements.

OTHER MD&A REQUIREMENTS

Additional information relating to the Corporation, including its audited annual consolidated financial statements, its unaudited quarterly financial statements and related management discussion and analysis for each period therein is available on SEDAR at www.sedar.com.

As of the date of this filing, the Corporation has 62,988,973 common shares outstanding. In addition, the Corporation has the following convertible securities outstanding:

| Type | Quantity | Exercise Price | Expiry Date |
|-----------------|-----------------|-----------------------|--------------------|
| Options | 1,000,000 | \$0.44 | December 15, 2008 |
| Options | 50,000 | \$0.32 | April 27, 2009 |
| Options | 650,000 | \$0.35 | November 8, 2009 |
| Options | 500,000 | \$0.44 | May 24, 2010 |
| Options | 650,000 | \$0.93 | June 30, 2011 |
| Options | 525,000 | \$0.27 | January 18, 2012 |
| Options | 200,000 | \$0.29 | February 28, 2012 |
| Options | 50,000 | \$0.365 | May 4, 2012 |
| Options | 2,500,000 | \$0.30 | January 22 2013 |
| Warrants | 6,770,000 | \$0.35 | August 8, 2008 |
| Broker Warrants | 1,483,000 | \$0.25 | August 8, 2008 |