



**AMERIX PRECIOUS METALS CORPORATION**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**FOR THE THREE AND SIX MONTHS ENDED JANUARY 31, 2010**  
**MARCH 26, 2010**

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This Management Discussion and Analysis (“MD&A”) of the financial condition and results of the operations of Amerix Precious Metals Corporation (“Amerix” or the “Company”) is intended to supplement and complement the Company’s audited consolidated financial statements and the related notes covering the year ended July 31, 2009. This MD&A should be read in conjunction with those audited consolidated financial statements.

The Company prepares its consolidated financial statements in Canadian dollars and in accordance with generally accepted accounting principles (“GAAP”) in Canada. All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise stated. Additional information regarding the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

This MD&A may contain forward-looking statements that are based on the Company’s expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below under “Risk Factors”. Actual outcomes and results may differ materially from those expressed in these forward -looking statements and readers should not place undue reliance on such statements.

## **OVERVIEW**

Amerix Precious Metals Corporation (the “Company” or “Amerix”) is a junior resource company involved in the acquisition, exploration and development of mineral properties.

The Company does not generate operating revenues. Management anticipates that the Company will experience net losses as a result of ongoing exploration and general corporate and administrative costs until such time as revenue generating activity is commenced.

The Company presently interests in two mineral properties located in Brazil. The Company holds a 2.5% Gross Royalty interest in the southern Ouro Roxo properties and holds the exploration licenses to the Limão Property.

During the six months ended January 31, 2010, the Company’s activities included the following material events:

On October 23, 2009, the Company announced that it had executed the Definitive Agreement with the Brazilian Consortium whereby the Consortium acquired 100% of the exploration permits containing the southern Ouro Roxo deposits, with Amerix retaining a 2.5% Gross Royalty on all gold production. In addition, the Consortium assumed all outstanding and future gold option payments on the southern Ouro Roxo Concessions. The southern Ouro Roxo concessions are subject to an existing underlying 2.0% underlying gross royalty payable to Matapi Exploração Mineral Ltda. (“Matapi”). Amerix has the right to buy-out this underlying 2.0% gross royalty and is currently in negotiations with Matapi concerning this matter. The TSX Venture Exchange granted final approval for this transaction on October 29, 2009.

On November 2, 2009, the Company announced initial sampling results from the Limão Gold Property located in the highly prospective Tapajós Gold Province in Central Brazil. The Company confirmed the presence of high grade gold mineralization hosted in syeno-granitic intrusive rocks with values up to 106.6 g/t Au or 3.76 oz/t Au. The initial due diligence consisted of 14 rock samples and 134 one-metre auger samples

The Limão Property is situated along the NW-SE Tocantinzinho Trend. This trend hosts notable gold properties such as Eldorado and Brazauro’s Tocantinzinho Property and Magellan Mineral’s Cuiu-Cuiu property. Between 1987 and 1990, Mineração Pompeia carried out systematic prospecting in the area which included geochemical and geophysical surveys followed by a small drill program in an area previously mined by locals. Holes drilled under an open pit returned promising results, such as 47 g/t Au over 13 metres and 18.7 g/t Au over 6.8 metres. During 1994 and 1995, Barrick Gold conducted a review of the area and took fifteen samples of the syeno-granite in the pit area and returned values from 1.75 g/t Au to 25 g/t Au. Additional work conducted by Barrick Gold also identified several gold anomalies outside the area of the open pit. It must be noted that the previous exploration is historical. It cannot be relied on and is not 43-101 compliant.

The Company's review and due diligence of the area consisted initially of satellite/aerial photography and location of the artisanal workings. A crew was mobilized to the property and re-established the camp and airstrip. A small grid was established for sampling and mapping control over the pit area and other artisanal workings. A total of 11 float samples were taken from sulphide-rich syeno-granitic rocks located in the pit area. Results range from 2.37 g/t Au to 106.6 g/t Au with an average of 38.5 g/t Au or 1.12 oz/t Au. The Company believes these samples to be representative of bedrock mineralization at the bottom of the open pit which was previously mined by local miners. The open pit is now filled with water and is believed to be 20 metres deep.

A total of 134 one-metre auger samples were taken at 20 metre intervals along parallel north-south lines spaced at 100 metre intervals. Sample results from the geochemical survey taken from saprolite material range from 5 ppb Au to 638 ppb Au. Results taken in tailings or artisanal areas returned values as high as 5.13 g/t Au. Further follow up and infill lines are required to determine size and orientation of the anomalies.

The Company has the option to earn 100% interest in the Limão property by completing payments of approximately US\$290,000 and issuing 400,000 shares to Matapi, the holder of the Limão property option agreement. To date the Company has completed approximately US\$109,000 in payments and issued 200,000 shares of the Company. The Company has also agreed to spend US\$500,000 on exploration work on the Limão property during each of the 12 month periods ending on October 20, 2010, and October 20, 2011.

On November 23, 2009, the exploration permits covering the area to the north of the Pacu River we reclaimed in the name of the holder of the Second Carneiro Agreement. The Company no longer holds an interest in these exploration permits.

On January 6, 2010 the Company announced that it has retained the services of Mr. Clinton Davis, P.Geo., to conduct an initial review on the Company's Limão property in the Tapajos Region in central Brazil and to prepare a 43-101 National Instrument report on the merit of the property. Mr. Davis visited the property in late 2009 and independent samples taken from the sulphide rich syeno-granitic intrusive rocks returned high grade results as high as 57.4 grams per tonne gold or 1.67 ounces per tonne.

Mr. Davis's sampling confirms the initial sampling results by the Company on the Limão gold property reported on November 2, 2009. Samples from the syeno-granitic intrusive rocks showed high-grade gold mineralization with values up to 106.6 grams per tonne gold or 3.76 ounces per tonne gold. The initial sampling by Amerix consisted of 14 rock samples with results averaging 38.5 grams per tonne gold or 1.12 ounces per tonne.

Subsequent to January 31, 2010, the Company's activities included the following material events:

On March 8, 2010, the Company announced that that Mr. Luciano Borges has assumed the role of President of Mineração Vila Porto Rico Ltda., the Company's wholly-owned Brazilian subsidiary, and Mr. Mahite Bueno is appointed Director of Corporate Development in Brazil. Mr. Borges has served as a Director of Amerix since December 17, 2007. He has provided mining and exploration consulting services related to natural resources and regional development in Brazil and Latin America since 2005. Prior to that he held several senior management positions within the Brazilian Ministry of Mines and Energy from 1984 to 2005. Mr. Bueno has been actively involved in the exploration of gold properties in Northern Brazil since 2004. The Company also granted a total of 6,000,000 options to directors, officers and consultants to purchase common shares of the Company at an exercise price of \$0.10 per share, expiring on March 7, 2015.

On March 23, 2010, the Company announced that it had completed the first tranche of a \$660,000 best-efforts non-brokered, private placement financing (the "Offering"). The Offering consists of up to 11,000,000 Units at a price of \$0.06 per Unit, with each Unit consisting of one Amerix common share and one-half common share purchase warrant, with each whole common share purchase warrant entitling the holder to purchase one Amerix common share at a price of \$0.10. The warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been \$0.25 or higher for ten consecutive trading days anytime after the date of issue, in which case the warrants will expire thirty (30) days after notice announcing an earlier expiry date. The Offering also includes a provision for a finders' fee payable at a rate of up to 8% of gross proceeds from Unit sales and Unit-purchase options ("broker warrants") at a rate of up to 10% of the number of Units sold. The securities issued in connection with the Offering are subject to a four month hold period from the date of issue. Under the first tranche the Company issued 7,920,000 Units for gross proceeds of \$475,200 and paid finders' fees of \$38,016 cash and 792,000 broker warrants. Insiders, as defined by the TSX Venture Exchange, participated in 6.3% of the first tranche. Net proceeds from the Offering will be used to continue to fund the Company's exploration projects in Brazil and for general working capital purposes. The Offering is subject to final regulatory approval.

The Company's assets as at January 31, 2010 were \$14, 078,212 compared to \$14,017,158 as at July 31, 2009. The increase was due to funding of the Company's mineral interests and exploration costs, partially offset by a reduction in funds used to pay outstanding liabilities.

The Company 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 Company's properties will therefore depend upon the Company'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 Company will be successful in obtaining the required financing.

## **MINERAL EXPLORATION ACTIVITIES**

The Company's operations consist of the exploration and development of mineral interests in Brazil as well as ongoing corporate head office costs. Expenditures on the Company's mineral interests for the six months ended January 31, 2010 were \$222,358 compared to \$164,178 for the prior year period.

The following table summarizes the continuity of the mineral properties during the period:

	Properties		
	VPR	Limao	Total
Balance, July 31, 2009	\$13,483,261	\$ 312,540	\$ 13,795,801
Expenditures during the period	-	222,358	222,358
Balance, January 31, 2010	<u>\$13,483,261</u>	<u>\$ 534,898</u>	<u>\$ 14,018,159</u>

## **Brazilian Mineral Properties and Exploration Costs**

### **Vila Porto Rico**

On November 28, 2008, the Company announced that it was unable to make an option payment of 4.4 kilograms ("kilos") of gold which was due to the holder ("the Holder") of the First Carneiro Agreement (the "Agreement") relating to the Company's option payments on its southern Ouro Roxo concessions in Vila Porto Rico Property covering the area to the south, or the left bank, of the Pacú River. Under the terms of the Agreement, the Company was required to pay 10 kilos of gold on July 28, 2008, of which 5.6 kilos was paid. Payment of the remaining balance of 4.4 kilos was subsequently deferred to November 25, 2008, with the agreement of the Holder. As a result of the significant deterioration in the availability of financing for junior exploration stage companies such as Amerix, the Company was unable to raise capital to allow it to meet obligations under the Agreement and, as of November 25, 2008, was technically in default of the terms of the Agreement. The Holder had the right to claim default and demand that the Company sign the concession rights over to the Holder. The Company in turn would not be entitled to any compensation for exploration work previously performed on the concessions or reimbursement for any option payments previously made under the terms of the Agreement.

However, the Company continued to negotiate with the Holder and on March 3, 2009, announced that it had executed a Letter of Intent ("LOI") with a Brazilian Consortium (the "Consortium") whereby the Consortium acquired 100% of the exploration permits containing the southern Ouro Roxo deposits with Amerix retaining a 2.5% Gross Royalty on all gold production. In addition, the Consortium assumed all gold option payments under the Agreement, including the default payment of 4.4 kilos of gold, 10.0 kilos of gold due on July 28, 2009, and 70.0 kilos of gold due on July 28, 2010. At estimated gold prices, of approximately US\$950 per ounce, these option payments of 84.4 kilos of gold equate to approximately Cdn\$3,740,000. Should the mineable reserve (in the probable category or better) on this property exceed 2

million ounces, the Consortium also assumes additional payments of 50 kilos of gold for each additional one million ounces of reserve determined. The southern Ouro Roxo concessions are subject to an existing underlying 2.0% underlying gross royalty payable to Matapi. Amerix has the right to buy-out this underlying 2.0% gross royalty and is currently in negotiations with Matapi concerning this matter. The sale of the exploration permits covering the southern Ouro Roxo deposits was approved by shareholders at the Company's Annual and Special Meeting of Shareholders on April 17, 2009. The Company completed the Definitive Agreement with the Consortium on October 23, 2009 and the TSX Venture Exchange granted final approval for this transaction on October 29, 2009.

On November 23, 2009, the exploration permits covering the area to the north of the Pacu River were reclaimed in the name of the holder of the Second Carneiro Agreement. The Company no longer holds an interest in these exploration permits.

The Company's ability to maintain its interest in the Vila Porto Rico royalty is conditional upon the Company having sufficient finances to make, and making, all required payments to Matapi, including payment of its underlying 2% gross royalty. There is no guarantee the Company will have the funds required to make, or make, such payments. If not, the Company may lose all of its interest in the Vila Porto Rico royalty, including forfeiting all payments made to date. See "Risk Factors".

### **Limão**

A technical report dated October 1997 was prepared for the Company 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](http://www.sedar.com).

As at January 31, 2009, the Company reviewed the carrying value of the Limão Property in response to the decline in the economic environment. As a result of the review, it was determined that costs incurred prior to fiscal 2004 on the Limão Property were impaired and a write down of \$540,531 was recorded to adjust Limão's carrying value to its estimated fair value of \$260,796. Management used the economic value of the work performed to date on the Limão Property to determine what the impairment charge should be.

On November 2, 2009, the Company announced initial sampling results from the Limão Property. The Company confirmed the presence of high grade gold mineralization hosted in syeno-granitic intrusive rocks with values up to 106.6 g/t Au or 3.76 oz/t Au. The initial due diligence consisted of 14 rock samples and 134 one-metre auger samples

The Limão Property is situated along the NW-SE Tocantinzinho Trend. This trend hosts notable gold properties such as Eldorado and Brazauro's Tocantinzinho Property and Magellan Mineral's Cuiu-Cuiu property. Between 1987 and 1990, Mineração Pompeia carried out systematic prospecting in the area which included geochemical and geophysical surveys followed by a small drill program in an area previously mined by locals. Holes drilled under an open pit returned promising results, such as 47 g/t Au over 13 metres and 18.7 g/t Au over 6.8 metres. During 1994 and 1995, Barrick Gold conducted a review of the area and took fifteen samples of the syeno-granite in the pit area and returned values from 1.75 g/t Au to 25 g/t Au. Additional work conducted by Barrick Gold also identified several gold anomalies outside the area of the open pit. It must be noted that the previous exploration is historical. It cannot be relied on and is not 43-101 compliant.

The Company's review and due diligence of the area consisted initially of satellite/aerial photography and location of the artisanal workings. A crew was mobilized to the property and re-established the camp and airstrip. A small grid was established for sampling and mapping control over the pit area and other artisanal workings. A total of 11 float samples were taken from sulphide-rich syeno-granitic rocks located in the pit area. Results range from 2.37 g/t Au to 106.6 g/t Au with an average of 38.5 g/t Au or 1.12 oz/t Au. The Company believes these samples to be representative of bedrock mineralization at the bottom of the open pit which was previously mined by local miners. The open pit is now filled with water and is believed to be 20 metres deep.

A total of 134 one-metre auger samples were taken at 20 metre intervals along parallel north-south lines spaced at 100 metre intervals. Sample results from the geochemical survey taken from saprolite material range from 5 ppb Au to 638 ppb Au. Results taken in tailings or artisanal areas returned values as high as 5.13 g/t Au. Further follow up and infill lines are required to determine size and orientation of the anomalies.

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Mr. Davis's sampling confirms the initial sampling results by the Company on the Limão gold property reported on November 2, 2009. Samples from the syeno-granitic intrusive rocks showed high-grade gold mineralization with values up to 106.6 grams per tonne gold or 3.76 ounces per tonne gold. The initial sampling by Amerix consisted of 14 rock samples with results averaging 38.5 grams per tonne gold or 1.12 ounces per tonne.

The Company has the option to earn 100% interest in the Limão property by completing payments of approximately US\$290,000 and issuing 400,000 shares to Matapi, the holder of the Limão property option agreement. As at the date of this report the Company has completed approximately US\$109,000 in payments and issued 200,000 shares of the Company. The Company has also agreed to spend US\$500,000 on exploration work on the Limão property during each of the 12 month periods ending on October 20, 2010, and October 20, 2011.

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

## **RESULTS OF OPERATIONS**

### **Selected Annual Information:**

	<b>Year Ended July 31<sup>st</sup>, 2009 (Audited) \$</b>	<b>Year Ended July 31<sup>st</sup>, 2008 (Audited) \$</b>	<b>Year Ended July 31<sup>st</sup>, 2007 (Audited) \$</b>
Net Loss	\$ ( 973,723)	\$ (1,147,604)	\$ (980,191)
Net Loss per Share	(0.01)	(0.02)	(0.02)
Working Capital (Deficiency)	(195,909)	(90,282)	9,778
Properties:			
Mineral properties & Exploration Costs	13,795,801	14,042,285	9,320,940
Other Assets	Nil	Nil	10,009
Total Assets	14,017,158	14,440,790	9,564,807
Shareholders' Equity			
Dollar amount	\$ 12,932,892	\$ 13,184,312	\$ 9,340,727
Number of Shares Outstanding	96,023,802	62,988,973	45,274,973

### **Summary of Quarterly Results:**

	<b>Revenues</b>	<b>Net Income (Loss)</b>	<b>Loss/Share Basic and Diluted</b>
April 30, 2008	Nil	(224,646)	(0.00)
July 31, 2008	Nil	(175,742)	(0.00)
October 31, 2008	Nil	(164,389)	(0.00)
January 31, 2009	Nil	(652,570)	(0.01)
April 30, 2009	Nil	(169,622)	(0.00)
July 31, 2009	Nil	12,858	(0.00)
October 31, 2009	Nil	(114,973)	(0.00)
January 31, 2010	Nil	(135,389)	(0.01)

### Three and six months ended January 31, 2010:

The Company incurred a net loss of \$250,362 for the six months ended January 31, 2010, compared to a net loss of \$816,959 for the prior year period, as detailed in the following table:

Canadian Dollars	Quarter ended January 31		Six Months ended January 31,	
	2010 (Unaudited)	2009 (Unaudited)	2010 (Unaudited)	2009 (Unaudited)
<b>Expenses</b>				
Professional fees	32,173	39,757	58,397	74,967
Consulting	22,500	-	45,000	-
Management fees	51,850	25,834	71,850	91,668
(Gain) loss on foreign exchange	( 21,723)	5,937	( 3,299)	13,864
Office and general	20,082	10,754	27,518	21,623
Investor relations	10,541	-	17,731	12,537
Rent	7,500	22,500	14,500	27,500
Travel and promotion	5,019	3,441	9,093	23,829
Transfer agent & filing fees	7,447	1,191	9,572	4,286
Stock-based compensation	-	2,625	-	6,154
Write-down of mineral properties and deferred exploration expenditures	-	540,531	-	540,531
<b>Total Expenses</b>	135,389	652,570	250,362	816,959
<b>Net loss for period</b>	(135,389)	(652,570)	(250,362)	(816,959)

The operating expenses for the six months ended January 31, 2010, are summarized below:

Professional fees decreased to \$58,397 (2009 - \$74,967) due predominately to lower legal fees. Consulting fees of \$45,000 (2009 - \$nil) relate to capital market consulting fees. Management fees decreased to \$71,850 (2009 - \$91,668), primarily as a result of fewer staff in the Toronto office. Foreign exchange gain of \$3,299 during 2010 (2009 – loss of \$13,864) was due to the strengthening of the Canadian dollar relative to the Brazilian Real during the November 2009 to January 31, 2010 period. Office and general expense of \$27,518 (2009 - \$21,623) is higher than the prior year period due primarily to administration costs associated with the Company's subsidiary holding companies. Investor relations expense for the period was \$17,731 (2009 - \$12,537), due to more corporate presentations and attendance at trade shows during the period. Rent expense of \$14,500 (2009 - \$27,500) is lower as the Company moved to different premises during fiscal 2010. Travel and promotion decreased to \$9,093 (2009 - \$23,829) due to reduced travel to the Brazilian properties during fiscal 2009. During the prior year period the Company reviewed the carrying value of the Limão Property in response to the decline in the economic environment. As a result of the review, it was determined that costs incurred prior to fiscal 2004 on the Limão Property were impaired and a write down of \$540,531 was recorded to adjust Limão's carrying value to its estimated fair value at that time.

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

## **LIQUIDITY AND CAPITAL RESOURCES**

The Company'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 Company's working capital ratio was approximately 1:5.1 as at January 31, 2010 with a working capital deficiency of \$245,979.

The Company 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. As at the date of this report these amounts are as follows:

<b>Thousands of Dollars</b>				
Contractual Obligations	Total	2010	2011	2012
Long Term Debt	-	-	-	-
Capital Lease Obligations	-	-	-	-
Operating Obligations	-	-	-	-
Purchase Obligations	-	-	-	-
Other Long Term Obligations				
Vila Porto Rico	-	-	-	-
Limão	1,292	593	699	-
<b>Total Contractual Obligations</b>	<b>1,292</b>	<b>593</b>	<b>699</b>	<b>-</b>

The obligations for the Limão property represent instalments relating to cash payments and the issue of 200,000 shares as property payments for the Limão property. The share obligation payments are based on the Company's closing share price of \$0.06 per share as at January 31, 2010. 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 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. Subsequent to July 31, 2009, the Company renegotiated the outstanding option payments relating to the Limão property as follows:

- Payment of Brazilian Reals 85,000 on or about October 16, 2009 (paid)
- Payment of Brazilian Reals 100,000 and 100,000 shares of Amerix on April 30, 2010
- Payment of Brazilian Reals 140,000 on October 15, 2010
- Payment of Brazilian Reals 145,000 and 100,000 shares of Amerix on April 30, 2011

The Company has also agreed to spend US\$500,000 on exploration work on the Limão property during each of the 12 month periods ending on October 20, 2010, and October 20, 2011.

The Company plans to continue to explore the Limão property during fiscal 2010. Long term obligations will depend upon the results of these exploration programs.

On November 23, 2009, the Vila Porto Rico exploration permits covering the area to the north of the Pacu River we reclaimed in the name of the holder of the Second Carneiro Agreement. The Company no longer holds an interest in these exploration permits and no longer has any option payment obligations

The Company estimates that it will require approximately \$1,500,000 to meet its financial obligations for the next twelve months from the date hereof, comprised of approximately \$1,365,000 for exploration (of which approximately \$600,000 is forecast for expenditure on Limão), administration and general working capital requirements and approximately \$135,000 for property option installment payments relating to its Limão property (see above). The Company will require additional financing in order to meet these financial obligations and is actively seeking equity financing and other available financing alternatives. 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. There is no assurance that the Company will have the funds required to meet such obligations.

### **OFF-BALANCE SHEET ARRANGEMENTS**

As of the date of this filing, the Company 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 Company, including, and without limitation, such considerations as liquidity and capital resources.

### **TRANSACTIONS WITH RELATED PARTIES**

During the six months ended January 31, 2010 the Company paid or accrued \$106,850 (2009 - \$91,668) in management fees to directors and officers of the Company, of which \$35,000 (2009 - \$Nil) was capitalized to mineral property interests. Directors and officers are reimbursed for travel and other expenses incurred on behalf of the Company. At January 31, 2010, \$189,468 (July 31, 2009 - \$128,229) was payable to current officers and directors of the Company.

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.

## **SHARE CAPITAL**

### **Common shares**

#### **Authorized**

Unlimited Common shares

Unlimited First Preference shares

Unlimited Second preference shares

#### **Issued**

	<u>Number of Shares</u>	<u>Amount</u>
Balance, July 31, 2009	96,023,802	\$18,147,102
Exercise of warrants during the period	8,453,000	422,650
Fair value of warrants issued	<u>-</u>	<u>73,752</u>
Balance, January 31, 2010	<u>104,476,802</u>	<u>\$18,643,504</u>

Subsequent to the quarter-end, 2,307,000 shares were issued upon the exercise of warrants and 7,920,000 shares were issued upon closing of the first tranche of a private placement in March 2010.

### **Warrants**

The following table shows the continuity of warrants during the period:

	<u>Number of Warrants</u>	<u>Weighted Average Exercise Price</u>
Balance, July 31, 2009	32,934,829	\$0.05
Exercised during the period	( 8,453,000)	(0.05)
Balance, January 31, 2010	<u>24,481,829</u>	<u>\$0.05</u>

Subsequent to the quarter-end, 2,307,000 warrants were exercised at \$0.05 per warrant for gross proceeds of \$115,350. In addition, 3,960,000 warrants were issued as part of the private placement in March 2010.

## **Stock options**

The following table shows the continuity of stock options during the period:

	<u>Number of Options</u>	<u>Weighted Average Exercise Price</u>
Balance, July 31, 2009	2,375,000	\$0.48
Forfeited/expired during the period	(825,000)	( 0.41)
Balance, January 31, 2010	<u>1,550,000</u>	<u>\$0.51</u>

Subsequent to the quarter-end, the Company granted a total of 6,000,000 stock options to directors, officers and consultants to purchase common shares of the Company at an exercise price of \$0.10 per share, expiring on March 7, 2015.

As at March 26, 2010, the following stock options were outstanding:

<b>Number of options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
550,000	\$0.93	June 30, 2011
450,000	\$0.27	January 18, 2012
550,000	\$0.30	January 22 2013
6,000,000	\$0.10	March 7, 2015

## **PROPOSED TRANSACTION**

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

## **SUBSEQUENT EVENTS**

Subsequent to the quarter-end, 2,307,000 warrants were exercised at \$0.05 per warrant for gross proceeds of \$115,350.

The Company granted a total of 6,000,000 stock options to directors, officers and consultants to purchase common shares of the Company at an exercise price of \$0.10 per share, expiring on March 7, 2015.

On March 23, 2010, the Company announced that it had completed the first tranche of a \$660,000 best-efforts non-brokered, private placement financing (the "Offering"). The Offering consists of up to 11,000,000 Units at a price of \$0.06 per Unit, with each Unit consisting of one Amerix common share and one-half common share purchase warrant, with each whole common share purchase warrant entitling the holder to purchase one Amerix common share at a price of \$0.10. The warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been \$0.25 or higher for ten consecutive trading days anytime

after the date of issue, in which case the warrants will expire thirty (30) days after notice announcing an earlier expiry date. The Offering also includes a provision for a finders' fee payable at a rate of up to 8% of gross proceeds from Unit sales and Unit-purchase options ("broker warrants") at a rate of up to 10% of the number of Units sold. The securities issued in connection with the Offering are subject to a four month hold period from the date of issue. Under the first tranche the Company issued 7,920,000 Units for gross proceeds of \$475,200 and paid finders' fees of \$38,016 cash and 792,000 broker warrants. Insiders, as defined by the TSX Venture Exchange, participated in 6.3% of the first tranche. Net proceeds from the Offering will be used to continue to fund the Company's exploration projects in Brazil and for general working capital purposes. The Offering is subject to final regulatory approval.

## **CHANGES IN ACCOUNTING POLICIES**

### **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 adoption of this standard had no impact on the Company's presentation of financial position or results of operations as at October 31, 2009.

### **Future Accounting Changes**

#### **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.

Canadian GAAP will be converged with IFRS through a combination of two methods: as current joint-convergence projects of the United States Financial Accounting Standards Board and the International Accounting Standards Board are agreed upon, they will be adopted by the AcSB and may be introduced in Canada before the complete changeover to IFRS; and standards not subject to a joint-convergence project will be exposed in an omnibus manner for introduction at the time of the complete changeover to IFRS.

#### **Business combinations, consolidated financial statements and non-controlling interest -**

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling interests. These new standards will be effective for fiscal years beginning on or

after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27 - Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The Company 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.

## **ENVIRONMENTAL**

The Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future and anticipates that such obligations will only arise when full scale development commences. As the Company's projects are still in the exploration and development stage and no significant environmental impact has occurred to date, the Company does not currently consider that expenditures required to meet any ongoing environmental obligations at the projects are material to its results or to financial condition to the Company at this time. However, these costs may become material in the future and will be reported in the Company's filings at that time.

## **DISCLOSURE OF INTERNAL CONTROLS**

Management has established processes which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present all material respects the financial condition, results of the operations and cash flows of the Company, as of the date of and for the periods presented by the consolidated financial statements.

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings (MI 52-109), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## **IFRS IMPLEMENTATION PLAN**

The AcSB has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, effective for fiscal years beginning on or after January 1, 2011. Accordingly, the Company will report interim and annual financial statements in accordance with IFRS beginning with the quarter ended October 31, 2011. The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of identifying the key accounting policy changes that may be required. Once the potential accounting policy changes have been identified, other elements of the plan will be addressed including the implication on information technology, internal controls, contractual arrangements and employee training.

## **OTHER MD&A REQUIREMENTS**

Additional information relating to the Company, 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](http://www.sedar.com).

## **OUTSTANDING SHARE DATA**

A summary of common shares, common share options, Unit-purchase options and common share purchase warrants at March 26, 2009, is tabled below:

Common shares issued	114,703,802
Common share options	7,550,000
Unit purchase options – Shares	792,000
- Warrants	396,000
Warrants	<u>26,134,829</u>
Fully diluted common shares	<u>149,576,631</u>

## **RISK FACTORS**

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

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

***Limited Business of the Company:*** Other than the Company's option to acquire the Vila Porto Rico Property and the Limão Property in Brazil, the Company has no material non-cash assets. There is no assurance the Company 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 Company 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 Company 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 Company'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 Company 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 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 Company, the extent of which cannot be predicted and which may well be beyond the capacity of the Company to fund. The Company'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 Company 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 Company'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 Company's business.

***Financing:*** The Company 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 Company's properties will therefore depend upon the Company'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 Company will be successful in obtaining the required financing.

***Limited Operating History and Lack of Cash Flow:*** The Company has a limited business history. The Company has no history of earnings or cash flow from its present operations. The only present source of funds available to the Company is through the sale of equity or debt securities or borrowing. Even if the results of exploration are encouraging, the Company 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 Company may not realize a return on its investment. While the Company 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 Company.

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

**Operating Hazards and Risks:** Future operations in which the Company 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 Company's business are such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable, or the Company may elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

The Company 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 Company.

**Permits and Licenses:** Upon acquisition of a property interest, the operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company 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 Company'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 Company'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 Company's exploration projects, cannot be predicted accurately.

## **FORWARD LOOKING STATEMENTS**

*This discussion may contain forward-looking statements that involve a number of risks and uncertainties including statements regarding the outlook for the Company's business and operational results. By nature, these risks and uncertainties could cause actual results to differ materially from what has been indicated. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined from estimates, capital and operating costs varying significantly from estimates, delays in or failure to obtain governmental, environmental or other project approvals and other factors including those risks and uncertainties identified above. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information as a result of new information, future results or other such factors which affect this information, except as required by law.*