# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(UNAUDITED)**

**(EXPRESSED IN CANADIAN DOLLARS)**

**FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2010**

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim consolidated financial statements of Amerix Precious Metals Corporation (A Development Stage Company) were prepared by management in accordance with Canadian generally accepted accounting principles. The most significant of these accounting principles have been set out in the July 31, 2009 audited consolidated financial statements. Only changes in accounting policies have been disclosed in these unaudited interim consolidated financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited interim consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

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 unaudited interim 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 unaudited interim consolidated financial statements and (ii) the unaudited interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

## NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

AMERIX
PRECIOUS METALS CORP.

# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**
**Interim Consolidated Balance Sheets**
**(Expressed in Canadian Dollars)**
**(Unaudited)**

| | April 30, 2010 | July 31, 2009 |
|---|---|---|
| | | (Audited) |
| **Assets** | | |
| **Current assets** | | |
| Cash | **$ 240,222** | $ 164,058 |
| Other receivables | **7,999** | 15,280 |
| Prepaid expenses | **9,757** | 42,019 |
| | **257,978** | 221,357 |
| **Mineral interests and exploration costs** (Note 5) | **14,275,762** | 13,795,801 |
| | **$ 14,533,740** | $ 14,017,158 |
| **Liabilities** | | |
| **Current liabilities** | | |
| Accounts payable and accrued liabilities (Note 11) | **$ 131,816** | $ 417,266 |
| **Future tax liability** | **667,000** | 667,000 |
| | **798,816** | 1,084,266 |
| **Shareholders' equity** | | |
| Share capital (Note 6(b)) | **19,262,592** | 18,147,102 |
| Warrants (Note 7) | **329,998** | 313,875 |
| Contributed surplus | **4,490,267** | 4,063,495 |
| Deficit | **(10,347,933)** | (9,591,580) |
| | **13,734,924** | 12,932,892 |
| | **$ 14,533,740** | $ 14,017,158 |

**Nature of Business and Going Concern** (Note 1)
**Commitments and Contingencies** (Note 12)
**Subsequent Event** (Note 13)

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

# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**

**Interim Consolidated Statements of Loss and Comprehensive Loss**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

| | Three Months Ended April 30, 2010 | Three Months Ended April 30, 2009 | Nine Months Ended April 30, 2010 | Nine Months Ended April 30, 2009 | Cumulative from inception to April 30, 2010 |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Interest income | **$ -** | $ - | **$ -** | $ - | $ 50,930 |
| **Expenses** | | | | | |
| Stock-based compensation (Note 8) | **330,000** | 440 | **330,000** | 6,594 | 2,285,462 |
| Management fees (Note 11) | **39,000** | 52,278 | **110,850** | 143,946 | 1,669,981 |
| Consulting fees | **47,500** | - | **92,500** | - | 163,693 |
| Professional fees | **20,177** | 54,521 | **78,574** | 129,488 | 1,037,670 |
| Office and general | **11,307** | 15,372 | **38,825** | 36,995 | 679,558 |
| Investor relations | **17,022** | 12,168 | **34,753** | 24,705 | 708,087 |
| Transfer agent and filing fees | **18,901** | 19,016 | **28,473** | 23,302 | 268,895 |
| Rent | **9,900** | 3,000 | **24,400** | 30,500 | 243,157 |
| Travel and promotion | **9,599** | 12,045 | **18,692** | 35,874 | 579,051 |
| Loss (gain) on foreign exchange | **2,585** | 782 | **(714)** | 14,646 | (63,776) |
| General exploration | **-** | - | **-** | - | 38,406 |
| Write-off of note receivable | **-** | - | **-** | - | 122,410 |
| Salaries and benefits | **-** | - | **-** | - | 26,959 |
| Amortization | **-** | - | **-** | - | 49,592 |
| Loss on disposal of mineral interests and exploration costs | **-** | - | **-** | - | 330,360 |
| Write-down of mineral interests and exploration costs | **-** | - | **-** | 540,531 | 612,408 |
| Net loss from predecessor operations | **-** | - | **-** | - | 1,747,641 |
| | **505,991** | 169,622 | **756,353** | 986,581 | 10,499,554 |
| **Net loss before the following** | **(505,991)** | (169,622) | **(756,353)** | (986,581) | (10,448,624) |
| Future income tax recovery | **-** | - | **-** | - | 100,691 |
| **Net loss and comprehensive loss for the period** | **$ (505,991)** | $ (169,622) | **$ (756,353)** | $ (986,581) | $(10,347,933) |
| **Basic and diluted loss per common share** (Note 9) | **$ (0.00)** | $ (0.00) | **$ (0.01)** | $ (0.02) | |
| **Weighted average common shares outstanding** | **110,310,249** | 69,139,669 | **103,976,109** | 65,039,205 | |

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

AMERIX PRECIOUS METALS CORP.

# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**

**Interim Consolidated Statement of Deficit**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

| | **Three Months Ended April 30,** | | **Nine Months Ended April 30,** | | Cumulative from inception to |
|---|---|---|---|---|---|
| | **2010** | 2009 | **2010** | 2009 | April 30, 2010 |
| **Deficit, beginning of period** | **$ (9,841,942)** | $ (9,434,816) | **$ (9,591,580)** | $ (8,617,857) | $(10,347,933) |
| **Loss for the period** | **(505,991)** | (169,622) | **(756,353)** | (986,581) | - |
| **Deficit, end of period** | **$(10,347,933)** | $ (9,604,438) | **$(10,347,933)** | $ (9,604,438) | $(10,347,933) |

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

# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**

**Interim Consolidated Statements of Shareholders' Equity**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

| | Share Capital | Warrants | Contributed Surplus | Deficit | Total |
|---|---|---|---|---|---|
| Balance, July 31, 2009 | $ 18,147,102 | $ 313,875 | $ 4,063,495 | $ (9,591,580) | $ 12,932,892 |
| Private placement | 576,000 | - | - | - | 576,000 |
| Finder's fee | (42,240) | - | - | - | (42,240) |
| Fair value of warrants issued | (195,200) | 195,200 | - | - | - |
| Fair value of broker warrants issued | (37,840) | 37,840 | - | - | - |
| Exercise of warrants | 688,625 | - | - | - | 688,625 |
| Fair value of the exercise of warrants | 120,145 | (120,145) | - | - | - |
| Expiry of warrants | - | (96,772) | 96,772 | - | - |
| Property interest acquisition | 6,000 | - | - | - | 6,000 |
| Stock-based compensation | - | - | 330,000 | - | 330,000 |
| Net loss for the period | - | - | - | (756,353) | (756,353) |
| **Balance, April 30, 2010** | **$ 19,262,592** | **$ 329,998** | **$ 4,490,267** | **$(10,347,933)** | **$ 13,734,924** |

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

AMERIX PRECIOUS METALS CORP.

# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**

**Interim Consolidated Statements of Cash Flows**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

| | Three Months Ended April 30, | | Nine Months Ended April 30, | | Cumulative from inception to |
|---|---|---|---|---|---|
| | **2010** | 2009 | **2010** | 2009 | April 30, 2010 |
| **Cash used in:** | | | | | |
| **Operating activities** | | | | | |
| Net loss for the period | **$ (505,991)** | $ (169,622) | **(756,353)** | $ (986,581) | $(10,347,933) |
| Items not affecting cash: | | | | | |
| Net loss from predecessor operations | **-** | - | - | - | 1,747,641 |
| Loss on disposal of mineral interests and exploration costs | **-** | - | **-** | - | 330,360 |
| Write-off of note receivable | **-** | - | **-** | - | 122,410 |
| Write-down of mineral interests and exploration costs | **-** | - | **-** | 540,531 | 612,408 |
| Stock-based compensation | **330,000** | 440 | **330,000** | 6,594 | 2,285,462 |
| Amortization | **-** | - | **-** | - | 49,592 |
| Future income tax recovery | **-** | - | **-** | - | (100,691) |
| Unrealized (gain) loss on foreign exchange | **2,585** | 782 | **(714)** | 14,646 | (83,837) |
| | **(173,406)** | (168,400) | **(427,067)** | (424,810) | (5,384,588) |
| Other sources (uses) of cash from operations: | | | | | |
| Decrease (increase) in other receivables and prepaid expenses | **9,923** | 51,049 | **39,543** | 62,144 | (17,756) |
| (Decrease) increase in accounts payable and accrued liabilities | **(174,216)** | (102,520) | **(285,450)** | 49,609 | (291,894) |
| | **(337,699)** | (219,871) | **(672,974)** | (313,057) | (5,694,238) |
| **Investing activities** | | | | | |
| Proceeds from disposal of mineral interest and exploration costs | **-** | - | **-** | - | 1,500,000 |
| Purchase of equipment | **-** | - | **-** | - | (49,593) |
| Issue of note receivable | **-** | - | - | - | (134,660) |
| Mineral interest acquisition and exploration costs | **(251,603)** | (120,833) | **(473,961)** | (285,011) | (14,765,340) |
| | **$ (251,603)** | $ (120,833) | **$ (473,961)** | $ (285,011) | $(13,449,593) |

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

# AMERIX PRECIOUS METALS CORPORATION

**(A Development Stage Company)**

**Interim Consolidated Statements of Cash Flows (Continued)**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

| | Three Months Ended April 30, 2010 | Three Months Ended April 30, 2009 | Nine Months Ended April 30, 2010 | Nine Months Ended April 30, 2009 | Cumulative from inception to April 30, 2010 |
|---|---|---|---|---|---|
| **Financing activities** | | | | | |
| Share capital issued, net of share issue costs | **$ 533,760** | $ 476,202 | **$ 533,760** | $ 476,202 | $ 13,962,408 |
| Performance shares issued from escrow | **-** | - | **-** | - | 190,219 |
| Shares issued on exercise of stock options | **-** | - | **-** | - | 1,074,154 |
| Shares issued on exercise of warrants | **265,975** | - | **688,625** | - | 3,542,901 |
| | **799,735** | 476,202 | **1,222,385** | 476,202 | 18,769,682 |
| **Change in cash** | **210,433** | 135,498 | **75,450** | (121,866) | (374,149) |
| **Net cash provided by predecessor operations** | **-** | - | **-** | **-** | 518,284 |
| **Cash, beginning of period** | **32,374** | 40,663 | **164,058** | 311,891 | - |
| **Effect of exchange rate changes on cash held in foreign currencies** | **(2,585)** | (782) | **714** | (14,646) | 96,087 |
| **Cash, end of period** | **$ 240,222** | $ 175,379 | **$ 240,222** | $ 175,379 | $ 240,222 |
| **Supplemental Cash Flow Information:** | | | | | |
| Interest received | **$ -** | $ - | **$ -** | $ - | $ 176,378 |
| Property interest acquisition | **$ 6,000** | $ 2,000 | **$ 6,000** | $ 2,000 | $ 6,000 |

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

## 1. NATURE OF BUSINESS AND GOING CONCERN

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

The Company is in the process of exploring its mineral interests and has not yet determined whether these interests contain ore reserves that are economically recoverable. The Company has not yet discovered any proven reserves, nor has it earned any income and it is therefore considered to be an enterprise in the development stage, in accordance with the Canadian Institute of Chartered Accountants ("CICA") Accounting Guideline 11. The recoverability of the carrying amounts of these interests is dependent upon the discovery of economically recoverable reserves, maintaining the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development thereof and the future profitable production therefrom or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material writedowns of the carrying amounts.

As at April 30, 2010, the Company had working capital of $126,162 and an accumulated deficit of $10,347,933. The Company does not have sufficient funds to pay its ongoing administrative expenses and meet its liabilities for the ensuing twelve months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mineral interest expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements.

## 2. SUMMARY OF ACCOUNTING POLICIES

The unaudited interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") for interim financial information. Accordingly, they do not include all of the information and notes to the consolidated financial statements required by Canadian GAAP for annual consolidated financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended April 30, 2010 may not necessarily be indicative of the results that may be expected for the year ending July 31, 2010.

## 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

The consolidated balance sheet as at July 31, 2009 has been derived from the audited consolidated financial statements at that date, but does not include all of the information and footnotes required by Canadian GAAP for complete consolidated financial statements. The unaudited interim consolidated financial statements have been prepared by management in accordance with the accounting policies described in the Company's annual audited consolidated financial statements for the year ended July 31, 2009, except as noted below. For further information, refer to the audited consolidated financial statements and notes thereto included in the Company's annual consolidated financial statements for the year ended July 31, 2009.

### Goodwill and Intangible Assets

Effective May 1, 2009, the Company adopted CICA Section 3064 “Goodwill and Intangible Assets”, which replaced CICA Handbook sections 3062, “Goodwill and Other Intangible Assets” and 3450, “Research and Development Costs”, as well as EIC-27, “Revenues and Expenditures During the Preoperating Period”, and part of Accounting Guideline 11, “Enterprises in the development stage”. Under previous Canadian standards, a greater number of items were recognized as assets than are recognized under International Financial Reporting Standards (“IFRS”). The provisions relating to the definition and initial recognition of intangible assets reduce the differences with IFRS in the accounting for intangible assets. The objectives of CICA 3064 are: 1) to reinforce the principle-based approach to the recognition of assets; 2) to establish the criteria for asset recognition and; 3) to clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing asset items that do not meet the recognition criteria is eliminated. The new standard also provides guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets. The portions in the new standard relating to goodwill remain unchanged. The adoption of this standard had no impact on the Company’s presentation of its financial position or results of operations as at April 30, 2010.

### 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. The Company is currently assessing the impact of IFRS on its consolidated financial statements.

## 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

### Future Accounting Changes (Continued)

Financial Instruments

During 2009, CICA Handbook Section 3862, Financial Instruments - Disclosures, was amended to require disclosure about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and;
- Level 3 - Inputs that are not based on observable market data.

This amended standard applies to annual financial statements with fiscal years ending after September 30, 2009. The Company will include these disclosures in its annual financial statements for the year ending July 31, 2010.

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

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.

## 3. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business. The Company considers its capital to be equity, which is comprised of share capital, warrants, contributed surplus and deficit which at April 30, 2010 totaled $13,734,924 (July 31, 2009 - $12,932,892).

The properties in which the Company currently has an interest are in the exploration stage. As such the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration programs and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts when economic conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

(i) maintaining a liquidity cushion in order to address any potential disruptions or industry downturns, if possible;
(ii) minimizing discretionary disbursements;
(iii) reducing or eliminating exploration expenditures that are of limited strategic value; and
(iv) exploring alternative sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if the Company believes there is sufficient potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

## 4. FINANCIAL RISK FACTORS

### (a) Property Risk

The Company's two major mineral interests are: (i) the Vila Porto Rico royalty ("VPR") and (ii) the Limão Property. Unless the Company acquires or develops additional material mineral interests, the Company will be mainly dependent upon these two interests. If no additional major mineral interests are acquired by the Company, any adverse development affecting these two interests would have a material adverse effect on the Company's financial condition and results of operations.

### (b) Financial Risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk including interest rate, foreign currency risk, and commodity price risk.

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and other receivables. Cash is held with reputable financial institutions which are closely monitored by management. Financial instruments included in other receivables consist of sales tax receivable from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in cash and other receivables is minimal.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2010, the Company had working capital of $126,162 and is seeking additional capital through various alternatives to increase liquidity. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms.

Market Risk

*Interest Rate Risk*
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has minimal cash balances and management regularly monitors its cash management policy.

*Commodity Price Risk*
The Company is exposed to commodity price risk. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices as it relates to precious metals to determine the appropriate course of action to be taken by the Company.

## 4. FINANCIAL RISK FACTORS (Continued)

### (b) Financial Risk (Continued)

Market Risk (continued)

*Foreign Currency Risk*
The Company's reporting and functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars, US dollars and Brazilian Reals. The Company funds major exploration expenses in Brazil. Accordingly, it maintains a Brazilian Real bank account in Brazil. Management believes the foreign currency risk derived from currency conversions is negligible and therefore does not hedge its foreign currency risk.

**Sensitivity Analysis**

The Company has, for accounting purposes, designated its cash as held-for-trading, which is measured at fair value. Other receivables are classified for accounting purposes as loans and receivables, which are measured at amortized cost which equals fair value. Accounts payable and accrued liabilities are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also equals fair value. As of April 30, 2010, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a nine month period:

(i) Interest rate risk is minimal as the Company maintains minimal cash balances with nominal rates being paid on its operating accounts.

(ii) The Company is exposed to foreign currency risk on fluctuations related to cash, other receivables, and accounts payable and accrued liabilities that are denominated in US dollars and Brazilian Reals. Sensitivity to a plus or minus 5% change in the foreign exchange rate would affect net loss and comprehensive loss by approximately $1,200 with all other variables held constant.

(iii) Commodity price risk could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the world market price of precious metals. Precious metal prices have fluctuated widely in recent years. There is no assurance that, even as commercial quantities of precious metals may be produced in the future, a profitable market will exist for them. A decline in the market price of precious metals also will require the Company to reduce its mineral resources, which could have a material and adverse effect on the Company’s value. As of April 30, 2010, the Company was not a precious metals producer. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

**(Expressed in Canadian Dollars)**

## 5. MINERAL INTERESTS AND EXPLORATION COSTS

| | Vila Porto Rico | Limão | Total |
|---|---|---|---|
| Balance - July 31, 1996 | $ - | $ - | $ - |
| Fiscal 1997 expenditures | 7,062 | - | 7,062 |
| Fiscal 1998 expenditures | 375,800 | 174,583 | 550,383 |
| Fiscal 1999 expenditures | 144,480 | 147,077 | 291,557 |
| Fiscal 2000 expenditures | 459,120 | 121,866 | 580,986 |
| Fiscal 2001 expenditures | 35,551 | 71,534 | 107,085 |
| Fiscal 2002 expenditures | 11,630 | 5,861 | 17,491 |
| Fiscal 2003 expenditures | 14,034 | 19,610 | 33,644 |
| Fiscal 2004 expenditures | 674,899 | - | 674,899 |
| Fiscal 2005 expenditures | 2,271,038 | - | 2,271,038 |
| Fiscal 2006 expenditures | 1,774,414 | - | 1,774,414 |
| Fiscal 2007 expenditures | 2,902,239 | 110,142 | 3,012,381 |
| Fiscal 2008 expenditures | 4,570,691 | 150,654 | 4,721,345 |
| Fiscal 2009 expenditures | 242,303 | 51,744 | 294,047 |
| Fiscal 2009 Write-down of mineral interests and deferred exploration expenditures | - | (540,531) | (540,531) |
| Balance - July 31, 2009 | 13,483,261 | 312,540 | 13,795,801 |
| Expenditures during the period | - | 479,961 | 479,961 |
| Balance, April 30, 2010 | $ 13,483,261 | $ 792,501 | $ 14,275,762 |

**Vila Porto Rico**

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

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

**5. MINERAL INTERESTS AND EXPLORATION COSTS (Continued)**

**Vila Porto Rico (Continued)**

On April 17, 2009, the Company's shareholders approved a Letter of Intent ("LOI") with a Brazilian Consortium ("Consortium") and on October 23, 2009, this LOI was executed in a Definitive Agreement with the Consortium. Under the terms of the Definitive Agreement, 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 relating to the southern Ouro Roxo Concessions. The southern Ouro Roxo concessions are subject to an existing underlying 2.0% 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 Consortium was also required to submit the final mining report to the Brazilian National Mining Authority to convert the exploration permits to a mining concession in accordance with Brazilian Mining Law.

On November 23, 2009, the exploration permits covering the area to the north, or left bank, of the Pacu River, were reclaimed in the name of the holder of the Second Carneiro Agreement. As at April 30, 2010, the Company no longer holds an interest in these exploration permits.

**Limão**

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

Pursuant to the option agreement for the assignment of mineral rights among Amerix, Matapi and MVPR, Matapi formally assigned the mineral rights in respect of the Limão property to MVPR in consideration for an aggregate of 400,000 common shares of Amerix (common shares already issued) and approximately $331,000 payable over six years (of which approximately $59,000 was paid during fiscal 2008). In addition, Matapi retained a 2% NSR in respect of the Limão property which may be bought out by the Company at its sole discretion for payment of approximately $584,000 (Reals 1,000,000). Matapi may receive an additional 383,250 common shares of Amerix if a technical report acceptable to the TSX Venture Exchange evidencing the existence of at least 1,000,000 ounces of gold (probable reserve) is delivered in respect of the Limão property.

Effective October 15, 2009 the Company entered into an agreement with Matapi to amend the outstanding option payments on the Limão property. The amended terms require Amerix to make the following payments to Matapi:

- 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 (paid and issued)
- 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

**(Expressed in Canadian Dollars)**

## 5. MINERAL INTERESTS AND EXPLORATION COSTS (Continued)

**Limão (Continued)**

In addition, the Company has agreed to spend the following on exploration work on the Limão property:

- US$500,000 within one year ending October 20, 2010
- US$500,000 within one year ending October 20, 2011

As at April 30, 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 in the consolidated statements of loss, to adjust Limão's carrying value to its estimated fair value as at April 30, 2009.

## 6. SHARE CAPITAL

### (a) AUTHORIZED

Unlimited Common shares
Unlimited First preference shares
Unlimited Second preference shares

### (b) ISSUED

| | Common Shares | Amount |
|---|---|---|
| Balance, July 31, 2009 | 96,023,802 | $ 18,147,102 |
| Private placement (i) (ii) (ii) | 9,600,000 | 576,000 |
| Finder's fee (i) (ii) | - | (42,240) |
| Fair value of warrants issued (i) (ii) (iii) | - | (195,200) |
| Fair value of broker warrants issued (i) (ii) | - | (37,840) |
| Exercise of warrants | 13,772,500 | 688,625 |
| Fair value of exercise of warrants | - | 120,145 |
| Property interest acquisition | 100,000 | 6,000 |
| **Balance, April 30, 2010** | **119,496,302** | **$ 19,262,592** |

## 6. SHARE CAPITAL (Continued)

### (b) ISSUED (Continued)

(i) On March 23, 2010, the Company completed the first tranche of a non-brokered private placement of 7,920,000 units (the "Units") at a price of $0.06 per Unit for aggregate cash proceeds of $475,200.

Each Unit consisted of one common share of Amerix and one-half common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitled the holder to purchase one common share of Amerix 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 days after notice announcing an earlier expiry date.

The Company paid finder's fee of $38,016 in connection with the private placement. In addition, the Company issued broker warrants (the "Broker Warrants") exercisable for 792,000 units ("Broker Units") of Amerix. Each Broker Unit consisted of one common share of Amerix and one-half of one common share purchase warrant (each whole warrant an "Underlying Warrant"). Each Underlying Warrant entitles the holder to purchase one additional common share of Amerix at a price of $0.10 at any time until March 23, 2012. The Underlying Warrants are subject to the same acceleration rights as the Warrants.

The fair value of the Warrants at the date of grant was $162,360. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.63%; expected life of two years; and volatility of 213.57%.

The fair value of the Broker Warrants at the date of grant was $34,056. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.63%; expected life of two years; and volatility of 213.57%.

(ii) On April 12, 2010, the Company completed the second tranche of a non-brokered private placement of 880,000 Units at a price of $0.06 per Unit for aggregate cash proceeds of $52,800.

Each Unit consisted of one common share of Amerix and one-half common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitled the holder to purchase one common share of Amerix 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 days after notice announcing an earlier expiry date.

## 6. SHARE CAPITAL (Continued)

### (b) ISSUED (Continued)

(ii) (continued)

The Company paid finder's fee of $4,224 in connection with the private placement. In addition, the Company issued broker warrants (the "Broker Warrants") exercisable for 88,000 units ("Broker Units") of Amerix. Each Broker Unit consisted of one common share of Amerix and one-half of one common share purchase warrant (each whole warrant an "Underlying Warrant"). Each Underlying Warrant entitles the holder to purchase one additional common share of Amerix at a price of $0.10 at any time until April 12, 2012. The Underlying Warrants are subject to the same acceleration rights as the Warrants.

The fair value of the Warrants at the date of grant was $18,040. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.86%; expected life of two years; and volatility of 215.12%.

The fair value of the Broker Warrants at the date of grant was $3,784. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.86%; expected life of two years; and volatility of 215.12%.

(iii) On April 16, 2010, the Company completed the third and final tranche of a non-brokered private placement of 800,000 units at a price of $0.06 per unit for aggregate cash proceeds of $48,000.

Each Unit consisted of one common share of Amerix and one-half common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitled the holder to purchase one common share of Amerix 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 days after notice announcing an earlier expiry date.

The fair value of the Warrants at the date of grant was $14,800. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.86%; expected life of two years; and volatility of 214.98%.

**(Expressed in Canadian Dollars)**

## 7. WARRANTS

The following table reflects the continuity of warrants (including broker warrants) for the nine months ended April 30, 2010:

| | Number of Warrants | Weighted Average Exercise Price | Fair Value |
|---|---|---|---|
| Balance, July 31, 2009 | 32,934,829 | $ 0.05 | $ 313,875 |
| Granted (Note 6(b)(i)(ii)(iii)) | 5,680,000 | 0.09 | 233,040 |
| Exercised | (13,772,500) | 0.05 | (120,145) |
| Expired | (11,989,000) | 0.05 | (96,772) |
| **Balance, April 30, 2010** | **12,853,329** | **$ 0.07** | **$ 329,998** |

As of April 30, 2010, the following warrants were outstanding:

| Fair Value | Number of Warrants | Exercise Price | Date of Expiry |
|---|---|---|---|
| $ 37,945 | 2,807,329 | $ 0.05 | July 8, 2010 |
| 59,013 | 4,366,000 | 0.05 | July 22, 2010 |
| 162,360 | 3,960,000 | 0.10 | March 23, 2012 |
| 34,056 | 792,000 (1) | 0.06 | March 23, 2012 |
| 18,040 | 440,000 | 0.10 | April 12, 2012 |
| 3,784 | 88,000 (2) | 0.06 | April 12, 2012 |
| 14,800 | 400,000 | 0.10 | April 16, 2012 |
| $ 329,998 | 12,853,329 | $ 0.07 | |

(1) Broker warrants. See Note 6(b)(i)
(2) Broker warrants. See Note 6(b)(ii)

**(Expressed in Canadian Dollars)**

## 8. STOCK OPTIONS

The following table reflects the continuity of stock options for the nine months ended April 30, 2010:

| | Number of Stock Options | Weighted Average Exercise Price ($) |
|---|---|---|
| Balance, July 31, 2009 | 2,375,000 | $ 0.48 |
| Expired / Cancelled | (825,000) | 0.41 |
| Granted (i) | 6,000,000 | 0.10 |
| **Balance, April 30, 2010** | **7,550,000** | **$ 0.19** |

(i) On March 7, 2010, the Company granted 6,000,000 stock options to its directors, officers and consultants at an exercise price of $0.10 per share expiring on March 7, 2015. Using the Black-Scholes valuation method, the options were valued at $330,000. The following assumptions were used to determine the value: expected dividend yield of 0%, risk free interest rate of 2.76%, expected volatility of 158.65% and an expected maturity of 5 years.

As at April 30, 2010, the weighted average remaining contractual life and weighted average exercise price of options outstanding and exercisable are as follows:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Expiry Date | Number Outstanding | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (years) | Number Exercisable | Weighted Average Exercise Price |
| June 30, 2011 | 550,000 | $ 0.93 | 1.17 | 550,000 | $ 0.93 |
| January 18, 2012 | 450,000 | 0.27 | 1.72 | 450,000 | 0.27 |
| January 22, 2013 | 550,000 | 0.30 | 2.73 | 550,000 | 0.30 |
| March 7, 2015 | 6,000,000 | 0.10 | 4.85 | 6,000,000 | 0.10 |
| | 7,550,000 | $ 0.19 | 4.24 | 7,550,000 | $ 0.19 |

(Expressed in Canadian Dollars)

## 9. LOSS PER SHARE

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

## 10. SEGMENTED INFORMATION

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

| | April 30, 2010 | | |
|---|---|---|---|
| | **Canada** | **Brazil** | **Consolidated** |
| Current assets | **$ 217,214** | **$ 40,764** | **$ 257,978** |
| Mineral interests and exploration costs | **-** | **14,275,762** | **14,275,762** |
| | **$ 217,214** | **$ 14,316,526** | **$ 14,533,740** |

| | July 31, 2009 | | |
|---|---|---|---|
| | Canada | Brazil | Consolidated |
| Current assets | $ 206,847 | $ 14,510 | $ 221,357 |
| Mineral interests and exploration costs | - | 13,795,801 | 13,795,801 |
| | $ 206,847 | $ 13,810,311 | $ 14,017,158 |

**(Expressed in Canadian Dollars)**

## 11. RELATED PARTY TRANSACTIONS

During the three and nine months ended April 30, 2010, the Company paid or accrued $60,841 and $167,691 respectively (three and nine months ended April 30, 2009 - $52,278 and $143,946 respectively) in management fees to current officers of the Company, of which $21,841 and $56,841, respectively (2009 - $nil) was capitalized to mineral property interests. These individuals were also reimbursed for out-of-pocket expenses incurred in the normal course of operations. At April 30, 2010, $41,175 (July 31, 2009 - $128,229) was payable to the current officers 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.

## 12. COMMITMENTS AND CONTINGENCIES

**Limão**

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

| | Shares to be issued | | | |
|---|---|---|---|---|
| | Number of shares | $ Value of Shares | BRL Payments | $Cdn Payments |
| 2011 | 100,000 | 6,000 | 285,000 | 166,839 |
| Payment if reserve contains at least 1,000,000 ounces | 383,250 | 22,995 | | |

(All Brazilian real R$ amounts have been translated into Canadian dollars using the rate of exchange as at April 30, 2010. For purposes of the required payments to be made in shares, the April 30, 2010 share price of $$0.06 per share has been used).

In addition, the Company has agreed to spend US$500,000 on exploration work in each of the 12 month periods ending October 20, 2010 and 2011.

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

## 13. SUBSEQUENT EVENT

On May 20, 2010 a total of 33,300 warrants were exercised for 33,300 common shares of Amerix at $0.05 per share for gross proceeds of $1,665.