AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

(EXPRESSED IN CANADIAN DOLLARS)

YEARS ENDED JULY 31, 2011 AND 2010

MSCM LLP
Accountants & Advisors for a Complex World®

Independent Auditors' Report

To the Shareholders of
Amerix Precious Metals Corporation

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of Amerix Precious Metals Corporation, which comprise the consolidated balance sheets as at July 31, 2011 and 2010, and the consolidated statements of loss and comprehensive loss, shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Amerix Precious Metals Corporation as at July 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Emphasis of matter

Without modifying our opinion, we draw attention to the fact that the consolidated financial statements have been prepared on a going concern basis. This basis may not be appropriate because its validity depends principally on the discovery of economically viable mineral deposits, obtaining the necessary mining licenses, and the availability of subsequent funding to extract the resource or, alternatively, the availability of funding to extend the Company's exploration activities. The consolidated financial statements do not include any adjustments that would arise from a failure to complete either option. Details of the circumstances relating to this fundamental uncertainty as described in Note 1 of the consolidated financial statements.

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

Chartered Accountants
Licensed Public Accountants

Toronto, Ontario
November 23, 2011

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Balance Sheets

(Expressed in Canadian Dollars)

July 31, 2011 and 2010

		2011		2010
Assets				
Current assets				
Cash and cash equivalents	$	**3,313,923**	$	81,870
Other receivables		**31,000**		12,865
Prepaid expenses		**19,792**		32,889
		3,364,715		127,624
Mineral properties and exploration costs (Note 5)		**15,197,801**		14,427,110
	$	**18,562,516**	$	14,554,734
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 11)	$	**175,009**	$	179,786
Future tax liability (Note 12)		**565,000**		547,000
		740,009		726,786
Shareholders' equity				
Share capital (Note 6(b))		**22,373,248**		19,394,916
Warrants (Note 7)		**1,876,166**		233,040
Contributed surplus (Note 8)		**5,302,091**		4,559,066
Deficit		**(11,728,998)**		(10,359,074)
		17,822,507		13,827,948
	$	**18,562,516**	$	14,554,734

Nature of Business and Going Concern (Note 1)
Commitments and Contingencies (Note 14)
Subsequent Event (Note 15)

Approved by the Board: "Steve Brunelle", Director "Robert Crombie", Director

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

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

Years ended July 31, 2011 and 2010

	2011	2010	Cumulative from inception to July 31, 2011
Revenue			
Interest income	**$ 3,012**	$ -	$ 53,942
Expenses			
Stock-based compensation (Note 9)	**743,025**	330,000	3,028,487
Management fees (Note 11)	**225,000**	156,000	1,940,131
Professional fees	**115,183**	107,886	1,182,165
Investor relations	**91,119**	156,715	921,168
Office and general	**55,999**	48,749	745,481
Transfer agent and filing fees	**54,890**	31,782	327,094
Rent	**28,250**	36,400	283,407
Travel and promotion	**27,978**	20,267	608,604
Loss (gain) on foreign exchange	**13,492**	(305)	(49,875)
Consulting fees	**-**	-	71,193
General exploration	**-**	-	38,406
Write-off of note receivable	**-**	-	122,410
Salaries and benefits	**-**	-	26,959
Amortization	**-**	-	49,592
Loss on disposal of mineral properties and exploration costs	**-**	-	330,360
Write-down of mineral properties and exploration costs	**-**	-	612,408
Net loss from predecessor operations	**-**	-	1,747,641
	1,354,936	887,494	11,985,631
Net loss before the following	**(1,351,924)**	(887,494)	(11,931,689)
Future income tax (expense) recovery (Note 12)	**(18,000)**	120,000	202,691
Net loss and comprehensive loss for the period	**$ (1,369,924)**	$ (767,494)	$(11,728,998)
Basic and diluted loss per common share (Note 10)	**$ (0.03)**	$ (0.02)	
Weighted average common shares outstanding (Note 10)	**45,838,015**	35,999,885	

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

AMERIX PRECIOUS METALS CORP.

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Shareholders' Equity

(Expressed in Canadian Dollars)

Years ended July 31, 2011 and 2010

	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 placements	576,000	-	-	-	576,000
Finder's fee	(42,240)	-	-	-	(42,240)
Fair value of warrants issued	(195,200)	195,200	-	-	-
Fair value of warrants issued as a finder's fee	(37,840)	37,840	-	-	-
Exercise of warrants	792,790	-	-	-	792,790
Fair market value of exercise of warrants	148,304	(148,304)	-	-	-
Property interest acquisition	6,000	-	-	-	6,000
Expiry of warrants	-	(165,571)	165,571	-	-
Stock-based compensation	-	-	330,000	-	330,000
Net loss for the year	-	-	-	(767,494)	(767,494)
Balance, July 31, 2010	19,394,916	233,040	4,559,066	(10,359,074)	13,827,948
Private placements	4,926,740	-	-	-	4,926,740
Finder's fee	(300,642)	-	-	-	(300,642)
Share issuance costs	(156,262)	-	-	-	(156,262)
Fair value of warrants issued	(1,435,973)	1,435,973	-	-	-
Fair value of warrants issued as a finder's fee	(272,857)	272,857	-	-	-
Exercise of warrants	143,122	-	-	-	143,122
Fair value of exercise of warrants	65,704	(65,704)	-	-	-
Property interest acquisition	8,500	-	-	-	8,500
Stock-based compensation	-	-	743,025	-	743,025
Net loss for the year	-	-	-	(1,369,924)	(1,369,924)
Balance, July 31, 2011	**$ 22,373,248**	**$ 1,876,166**	**$ 5,302,091**	**$(11,728,998)**	**$ 17,822,507**

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

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Years ended July 31, 2011 and 2010

	2011	2010	Cumulative from inception to July 31, 2011
Cash (used in) provided by:			
Operating activities			
Net loss for the period	**$ (1,369,924)**	$ (767,494)	$(11,728,998)
Items not affecting cash:			
Net loss from predecessor operations	-	-	1,747,641
Loss on disposal of mineral properties and exploration costs	**-**	-	330,360
Write-off of note receivable	**-**	-	122,410
Write-down of mineral properties and exploration costs	**-**	-	612,408
Stock-based compensation	**743,025**	330,000	3,028,487
Amortization	**-**	-	49,592
Future income tax expense (recovery)	**18,000**	(120,000)	(202,691)
Unrealized loss (gain) on foreign exchange	**13,492**	(305)	(69,936)
	(595,407)	(557,799)	(6,110,727)
Other sources (uses) of cash from operations:			
(Increase) decrease in other receivables and prepaid expenses	**(5,038)**	11,545	(50,792)
Decrease in accounts payable and accrued liabilities	**(4,777)**	(237,480)	(248,701)
	(605,222)	(783,734)	(6,410,220)
Investing activities			
Proceeds from disposal of mineral property and exploration costs	**-**	-	1,500,000
Purchase of equipment	**-**	-	(49,593)
Issue of note receivable	**-**	-	(134,660)
Mineral property acquisition and exploration costs	**(762,191)**	(625,309)	(15,678,879)
	$ (762,191)	$ (625,309)	$ (14,363,132)

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

AMERIX PRECIOUS METALS CORPORATION

(A Development Stage Company)

Consolidated Statements of Cash Flows (Continued)

(Expressed in Canadian Dollars)

Years ended July 31, 2011 and 2010

	2011	2010	Cumulative from inception to July 31, 2011
Financing activities			
Share capital issued, net of share issue costs	**$ 4,469,836**	$ 533,760	$ 18,432,244
Performance shares issued from escrow	**-**	-	190,219
Shares issued on exercise of stock options	**-**	-	1,074,154
Shares issued on exercise of warrants	**143,122**	792,790	3,790,188
	4,612,958	1,326,550	23,486,805
Change in cash and cash equivalents	**3,245,545**	(82,493)	2,713,453
Net cash provided by predecessor operations	**-**	-	518,284
Cash and cash equivalents, beginning of period	**81,870**	164,058	-
Effect of exchange rate changes on cash held in foreign currencies	**(13,492)**	305	82,186
Cash and cash equivalents, end of period	**$ 3,313,923**	$ 81,870	$ 3,313,923
Cash and cash equivalents consist of:			
Cash	**$ 313,923**	$ 81,870	
Cash equivalent	**3,000,000**	-	
	$ 3,313,923	$ 81,870	
Supplemental Cash Flow Information:			
Interest received	**$ -**	$ -	$ 176,378

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

AMERIX PRECIOUS METALS CORP.

1. NATURE OF BUSINESS AND GOING CONCERN

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

On April 7, 2011, the Company's shareholders approved the share consolidation of the issued and outstanding common shares of the Company on the basis of one (1) post-consolidation common share for every three (3) pre-consolidation common shares (the "Consolidation"). The Consolidation was effective May 2, 2011. Any reference to common shares of the Company has been restated to reflect this Consolidation (Note 6).

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 July 31, 2011, the Company had working capital of $3,189,706 and an accumulated deficit of $11,728,998. The Company's ability to continue operations and fund its mineral property expenditures is dependent on management's ability to secure additional financing. Management of the Company believes that it has sufficient funds to pay its ongoing administrative expenses and to meet its liabilities for the ensuing twelve months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. 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 does not believe that the existing uncertainties currently cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, these consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required 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 SIGNIFICANT ACCOUNTING POLICIES

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

Development stage company

The Company has disclosed additional comparative information in conformity with the CICA Accounting Guideline 11. Accordingly, the consolidated statements of loss and comprehensive loss and cash flows disclose cumulative balances from inception of the development stage, considered to be November 6, 1981.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of consolidation

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

Mineral properties and exploration costs

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

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

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

Environmental expenditures and asset retirement obligations

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

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

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

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and highly liquid short-term guaranteed investment certificates with original maturities at the date of purchase of three months or less.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of long-lived assets

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

Income taxes

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

Foreign currency translation

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

Stock-based compensation plan

The Company has in effect a Stock Option Plan ("the Plan"), which is described in Note 9. Stock options awarded are accounted for using the fair value-based method. Fair value is calculated using the Black-Scholes model with the assumptions described in Note 9. Consideration paid on the exercise of stock options is credited to share capital together with any accumulated contributed surplus.

Basic and diluted loss per share

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share issuance costs

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

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

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

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.

The fair value of cash and cash equivalents is based on level 1 inputs of the fair value hierarchy.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. 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 will be required to have prepared, in time for its first quarter of fiscal 2012 filing, comparative consolidated financial statements in accordance with IFRS for the three months ended October 31, 2010. While the Company has begun assessing the impact of the adoption of IFRS on its consolidated financial statements, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

(i) To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
(ii) To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, warrants, contributed surplus and deficit which at July 31, 2011 totaled $17,822,507 (July 31, 2010 - $13,827,948).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on activities related to its mineral properties. Selected information is frequently provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the year ended July 31, 2011. 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 property interests are: (i) the Limão Property and (ii) the Ouro Roxo Property. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon these two properties. If no additional major mineral properties are acquired by the Company, any adverse development affecting these two properties 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 and market risk including interest rate, foreign exchange rate, 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, short-term investment and other receivables. Cash and short-term investment are held with reputable financial institutions which are closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash and short-term investment 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 July 31, 2011, the Company had working capital of $3,189,706. 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 a short-term investment which consists of a guaranteed investment certificate.

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)

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 US dollar and Brazilian Real bank accounts in Brazil. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

Sensitivity Analysis

The Company has, for accounting purposes, designated its cash and cash equivalents 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.

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

(i) The Company is exposed to interest rate risk on fluctuations in interest rate on its short-term investment. Sensitivity to a plus or minus 1% change in the interest rate would affect net loss and comprehensive loss by approximately $30,000 with all other variables held constant.

(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 $1,100 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 if 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 will also require the Company to reduce its mineral resources, which could have a material and adverse effect on the Company's value. As of July 31, 2011, 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 PROPERTIES AND EXPLORATION COSTS

	Ouro Roxo Property	Limão Property	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 2010 expenditures	-	631,309	631,309
Write-down of mineral properties and deferred exploration expenditures	-	(540,531)	(540,531)
Balance - July 31, 2010	13,483,261	943,849	14,427,110
Expenditures during the year	-	770,691	770,691
Balance, July 31, 2011	$ 13,483,261	$ 1,714,540	$ 15,197,801

5. MINERAL INTERESTS AND EXPLORATION COSTS (Continued)

Limão Property

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

Pursuant to the option agreement for the assignment of mineral rights among Amerix, Matapi Exploração Mineral Ltda. ("Matapi") and the Company's wholly-owned Brazilian subsidiary Mineração Vila Porto Rico Ltda. ("MVPR"), Matapi formally assigned the mineral rights in respect of the Limão property to MVPR in consideration for an aggregate of 133,333 common shares of Amerix (of which 66,667 common shares were issued) and approximately $331,000 payable over three years (of which approximately $59,000 was paid during fiscal 2008). In addition, Matapi retained a 2% Net Smelter Royalty ("NSR") in respect of the Limão property which may be bought out by the Company at its sole discretion for payment of approximately $615,000. Matapi may receive an additional 127,750 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 (See note 14).

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.

On October 15, 2009, the Company amended certain terms of the Limão option agreement with Matapi and on October 19, 2010 and April 29, 2011, additional amendments were made. 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 33,333 shares of Amerix on April 30, 2010 (paid and issued)
- Payment of Brazilian Reals 140,000 on April 30, 2011 (paid on May 6, 2011)
- Payment of Brazilian Reals 192,682 (145,000 Brazilian Reals adjusted for inflation) (deferred until October 31, 2011, paid October 20, 2011) and 33,333 shares of Amerix on April 30, 2011 (issued)

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

- US$500,000 within one year ending December 20, 2011
- US$500,000 within one year ending December 20, 2012

The Company paid a fee of Brazilian Reals 50,000 to defer the timing of these obligations.

5. MINERAL INTERESTS AND EXPLORATION COSTS (Continued)

Ouro Roxo Property

The Company, through MVPR, entered into a purchase option agreement with Matapi in relation to the Company's option to acquire a 100% interest in the Ouro Roxo 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% 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 655,416 common shares of the Company, of which 333,333 shares have been issued in prior years. The balance of 322,083 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.

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 mineral interests, with Amerix retaining a 2.5% NSR on all gold production. In addition, the Consortium assumed all outstanding and future gold option payments relating to the southern Ouro Roxo Concessions which were due on or before July 28, 2009 and on or before July 28, 2010. The southern Ouro Roxo concessions are subject to an existing underlying 2.0% NSR payable to Matapi. Amerix has the right to buy-out this underlying 2.0% NSR and is currently in discussions with Matapi concerning this matter. The Consortium submitted 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 July 31, 2011, the Company no longer holds an interest in these exploration permits.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL

(a) AUTHORIZED

Unlimited	Common shares
Unlimited	First preference shares
Unlimited	Second preference shares

(b) ISSUED

	Common Shares (vi)	Amount
Balance, July 31, 2009	32,007,932	$ 18,147,102
Private placement (i)(ii)(iii)	3,200,000	576,000
Finder's fee (i)(ii)	-	(42,240)
Fair value of warrants issued (i)(ii)(iii)		(195,200)
Fair value of warrants issued as a finder's fee (i)(ii)	-	(37,840)
Exercise of warrants	5,285,265	792,790
Fair market value of exercise of warrants	-	148,304
Property interest acquisition	33,333	6,000
Balance, July 31, 2010	40,526,530	19,394,916
Private placements (iv)(v)(vii)	22,594,000	4,926,740
Finder's fee (iv)(v)(vii)	-	(300,642)
Share issuance costs	-	(156,262)
Fair value of warrants issued (iv)(v)(vii)	-	(1,435,973)
Fair value of warrants issued as a finder's fee (iv)(v)(vii)	-	(272,857)
Exercise of warrants	539,571	143,122
Fair market value of exercise of warrants	-	65,704
Property interest acquisition (Note 5)	33,333	8,500
Balance, July 31, 2011	63,693,434	$ 22,373,248

(i) On March 23, 2010, the Company completed the first tranche of a non-brokered private placement of 2,640,000 units (the "Units") at a price of $0.18 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 entitles the holder to purchase one common share of Amerix at a price of $0.30. The Warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been $0.75 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 securities issued in connection with the private placement are subject to a four month hold period from the date of issue.

6. SHARE CAPITAL (Continued)

(i) (continued) The Company paid a finder's fee of $38,016 in connection with the private placement. In addition, the Company issued Unit purchase options (the "Broker Warrants") exercisable for 264,000 units ("Broker Units") of Amerix at a price of $0.18 per Unit. 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 $0.30 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 293,333 Units at a price of $0.18 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 entitles the holder to purchase one common share of Amerix at a price of $0.30. The Warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been $0.75 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 securities issued in connection with the private placement are subject to a four month hold period from the date of issue.

The Company paid a finder's fee of $4,224 in connection with the private placement. In addition, the Company issued broker warrants (the "Broker Warrants") exercisable for 29,333 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 $0.30 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%.

6. SHARE CAPITAL (Continued)

(iii) On April 16, 2010, the Company completed the third and final tranche of a non-brokered private placement of 266,667 units at a price of $0.18 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 entitles the holder to purchase one common share of Amerix at a price of $0.30. The Warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been $0.75 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 securities issued in connection with the private placement are subject to a four month hold period from the date of issue.

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%.

(iv) On November 3, 2010, the Company completed the first tranche of a non-brokered private placement of 1,819,000 Units at a price of $0.21 per Unit for aggregate cash proceeds of $381,990.

Each Unit consisted of one common share of Amerix and one-half common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder to purchase one common share of Amerix at a price of $0.33. The Warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been $0.75 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 securities issued in connection with the private placement are subject to a four month hold period from the date of issue.

The Company paid a finder's fee of $12,102 in connection with the private placement. In addition, the Company issued broker warrants (the "Broker Warrants") exercisable for 103,566 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 $0.33 at any time until November 3, 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 $104,551. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.42%; expected life of two years; and volatility of 196%.

The fair value of the Broker Warrants at the date of grant was $16,778. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.42%; expected life of two years; and volatility of 196%.

6. SHARE CAPITAL (Continued)

(v) On November 30, 2010, the Company completed the second and final tranche of a non-brokered private placement of 2,575,000 Units at a price of $0.21 per Unit for aggregate cash proceeds of $540,750.

Each Unit consisted of one common share of Amerix and one-half common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder to purchase one common share of Amerix at a price of $0.33. The Warrants will expire twenty-four months from the date of issue unless the closing price of the common shares has been $0.75 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 securities issued in connection with the private placement are subject to a four month hold period from the date of issue.

The Company paid a finder's fee of $28,280 in connection with the private placement. In addition, the Company issued broker warrants (the "Broker Warrants") exercisable for 163,332 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 $0.33 at any time until November 30, 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 $148,004. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.62%; expected life of two years; and volatility of 189%.

The fair value of the Broker Warrants at the date of grant was $27,930. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.62%; expected life of two years; and volatility of 189%.

(vi) On April 7, 2011, the Company's shareholders approved the share consolidation of the issued and outstanding common shares of the Company on the basis of one (1) post-consolidation common share for every three (3) pre-consolidation common shares (the "Consolidation"). The Consolidation came into effect May 2, 2011. As at July 31, 2011, the common shares of the Company have been restated to reflect the Consolidation.

(vii) On June 22, 2011 the Company closed a bought deal private placement offering (the “Offering”) of 18,200,000 units (the “Units”), at a price of $0.22 per Unit, for gross proceeds to the Company of $4,004,000. The Offering was completed by a syndicate of underwriters led by Canaccord Genuity Corp. and including Scotia Capital Inc. (the “Underwriters”).

Each Unit is comprised of one common share of Amerix and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to subscribe for one additional common share at an exercise price of $0.33 at any time prior to December 22, 2013.

The Company paid a finder's fee of $260,260 in connection with the private placement and issued 1,183,000 compensation options (the "Broker Warrants"). Each Broker Warrant entitles the holder to purchase one additional common share of Amerix at a price of $0.22 at any time until June 22, 2013.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (Continued)

(vii) (continued) The fair value of the Warrants at the date of grant was $1,183,418. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.50%; expected life of 2.5 years; and volatility of 189%.

The fair value of the Broker Warrants at the date of grant was $212,940. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.51%; expected life of two years; and volatility of 172%.

7. WARRANTS

The following table reflects the continuity of warrants for the years ended July 31, 2011 and 2010:

	Number of Warrants (Note 6(b)(vi))	Weighted Average Exercise Price ($)	Fair Value ($)
Balance, July 31, 2009	10,978,276	0.15	313,875
Granted (Note 6(b)(i)(ii)(iii))	1,893,333	0.27	233,040
Exercised	(5,285,269)	0.15	(148,304)
Expired	(5,693,010)	0.15	(165,571)
Balance, July 31, 2010	1,893,330	0.27	233,040
Granted (i)(ii)(iii) and (Note 6(b)(iv)(v)(vii))	12,825,000	0.32	1,708,830
Exercised	(539,571)	0.27	(65,704)
Balance, July 31, 2011	14,178,759	0.31	1,876,166

(i) On October 14, 2010, 10,333 warrants were issued from the exercise of broker warrants. The fair value of these warrants at the date of grant was $1,581. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.70%; expected life of 1.5 years; and volatility of 160%.

(ii) On January 11, 2011, 66,350 warrants were issued from the exercise of broker warrants. The fair value of these warrants at the date of grant was $13,336. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.71%; expected life of 1.2 years; and volatility of 137%.

(iii) On January 12, 2011, 1,433 warrants were issued from the exercise of broker warrants. The fair value of these warrants at the date of grant was $292. This amount was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield of 0%; risk-free interest rate of 1.73%; expected life of 1.25 years; and volatility of 137%.

(Expressed in Canadian Dollars)

7. WARRANTS (Continued)

As of July 31, 2011, the following warrants were outstanding:

Fair Value ($)	Number of Warrants	Exercise Price ($)	Date of Expiry
146,996	1,153,014	0.30	March 23, 2012
16,938	131,299	0.18	March 23, 2012
17,863	141,763	0.30	April 12, 2012
748	5,800	0.18	April 12, 2012
104,551	909,492	0.33	November 3, 2012
16,778	103,566	0.21	November 3, 2012
148,004	1,287,493	0.33	November 30, 2012
27,930	163,332	0.21	November 30, 2012
212,940	1,183,000	0.22	June 22, 2013
1,183,418	9,100,000	0.33	December 22, 2013
1,876,166	14,178,759		

8. CONTRIBUTED SURPLUS

	2011	2010
Balance, beginning of year	**$ 4,559,066**	$ 4,063,495
Compensation expense relating to stock option awards (Note 9)	**743,025**	330,000
Fair value of expired warrants	**-**	165,571
Balance, end of year	**$ 5,302,091**	$ 4,559,066

(Expressed in Canadian Dollars)

9. STOCK OPTIONS AND STOCK-BASED COMPENSATION

The Company has a Stock Option Plan (the "Plan") under which it is authorized to grant options to purchase up to 10% of the outstanding common shares of the Company to directors, senior officers, employees and/or consultants of the Company. As at July 31, 2011, there were 63,693,434 common shares of the Company outstanding (10% - 6,369,343). The terms of the awards under the Plan are determined by the Board of Directors.

The following table reflects the continuity of stock options for the years ended July 31, 2011 and 2010:

	Number of Stock Options (Note 6(b)(vi))	Weighted Average Exercise Price ($)
Balance, July 31, 2009	791,662	1.44
Granted (iii)	2,000,000	0.30
Expired / Cancelled (i)	(275,000)	1.23
Balance, July 31, 2010	2,516,662	0.57
Granted (iv)(v)(vi)	2,891,663	0.31
Expired / Cancelled (i)	(216,665)	2.49
Balance, July 31, 2011	5,191,660	0.34

The weighted average remaining contractual life and weighted average exercise price of options outstanding and exercisable as at July 31, 2011 are as follows:

	Options Outstanding				Options Exercisable	
Exercise Prices ($)	**Number Outstanding**		**Weighted Average Exercise Price ($)**	**Weighted Average Remaining Contractual Life (years)**	**Number Exercisable**	**Weighted Average Exercise Price ($)**
0.81	116,666	(i)	0.81	0.47	116,666	0.81
0.90	183,333	(ii)	0.90	1.48	183,333	0.90
0.30	1,999,998	(iii)	0.30	3.60	1,999,998	0.30
0.38	1,000,000	(iv)	0.375	4.49	1,000,000	0.38
0.38	666,663	(v)	0.375	1.53	666,663	0.38
0.22	1,225,000	(vi)	0.22	4.97	1,225,000	0.22
	5,191,660		0.34	3.69	5,191,660	0.34

9. STOCK OPTIONS AND STOCK-BASED COMPENSATION (Continued)

(i) On January 18, 2007, the Company granted 175,000 stock options to directors, officers and employees at a price of $0.81 per share and exercisable for a period of five years expiring on January 18, 2012. 58,334 options were cancelled in fiscal 2010 and 2011.

(ii) On January 22, 2008, the Company granted 833,333 stock options to its directors, officers, consultants and employees at an exercise price of $0.90 per share expiring on January 22, 2013. A total of 650,000 options were cancelled and or forfeited in previous years. Using the Black-Scholes valuation method, the options were valued at $551,330. The following assumptions were used to determine the value: expected dividend yield of 0%, risk free interest rate of 3.50%, expected volatility of 117% and an expected maturity of 5 years.

(iii) On March 7, 2010, the Company granted 1,999,998 stock options to its directors, officers and consultants at an exercise price of $0.30 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.

(iv) On January 25, 2011, 1,000,000 options were granted to an officer of the Company. Using the Black-Scholes valuation method, the options were valued at $321,000. The following assumptions were used to determine the value: expected dividend yield of 0%; risk free interest rate of 2.30%; expected volatility of 163% and an expected maturity of 5 years.

(v) On February 8, 2011, 666,663 options were granted to officers, directors and consultants of the Company. Using the Black-Scholes valuation method, the options were valued at $166,000. The following assumptions were used to determine the value: expected dividend yield of 0%; risk free interest rate of 1.88%; expected volatility of 168% and an expected maturity of 2 years.

(vi) On July 19, 2011, 1,225,000 options were granted to officers, directors and consultants of the Company. Using the Black-Scholes valuation method, the options were valued at $256,025. The following assumptions were used to determine the value: expected dividend yield of 0%; risk free interest rate of 2.19%; expected volatility of 174% and an expected maturity of 5 years.

(Expressed in Canadian Dollars)

10. LOSS PER SHARE

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

	2011	2010
Numerator		
Net loss attributable to common shareholders - basic and diluted	$ (1,369,924)	$ (767,494)
Denominator		
Weighted average number of common shares outstanding - basic and diluted	45,838,015	35,999,885
Basic and diluted loss per share	$ (0.03)	$ (0.02)

As a result of net losses for the years ended July 31, 2011 and 2010, the potential effect of the exercise of stock options and warrants was anti-dilutive.

11. RELATED PARTY TRANSACTIONS

During the year ended July 31, 2011, the Company paid or accrued $320,821 (July 31, 2010 - $236,610) in management fees to current officers and directors of the Company of which $95,821 (July 31, 2010 - $80,610) was capitalized to mineral property interests. These individuals were also reimbursed for out-of-pocket expenses incurred in the normal course of operations. At July 31, 2011, $nil (July 31, 2010 - $44,700) 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.

(Expressed in Canadian Dollars)

12. INCOME TAXES

The Company is subject to income taxes in Canada and Brazil. The following table reconciles the expected income tax recovery at the Canadian statutory income tax rate of 29% (2010 - 32%) to the amounts recognized in the consolidated statements of loss.

	2011	2010
Net loss reflected in the consolidated statement of loss	**$ (1,351,924)**	$ (887,494)
Expected income tax recovery at Canadian statutory income tax rates	**$ (393,000)**	$ (284,000)
Permanent differences	**106,000**	112,000
Tax rate changes and other adjustments	**17,000**	35,000
Effects of expiration of non-capital losses	**-**	84,000
Increase (decrease) in valuation allowance	**288,000**	(67,000)
Future income tax expense (recovery)	**$ 18,000**	$ (120,000)

The Company's future income tax assets and liabilities as at July 31, 2011 and 2010 are as follows:

	2011	2010
Future income tax assets		
Non-capital losses	**$ 1,182,000**	$ 968,000
Capital assets	**15,000**	13,000
Undeducted share issue costs	**116,000**	44,000
	1,313,000	1,025,000
Less: Valuation allowance	**(1,313,000)**	(1,025,000)
Net future income tax assets	**$ -**	$ -
Future income tax liabilities		
Canadian mineral properties	**$ 565,000**	$ 547,000
Net future income tax liabilities	**$ 565,000**	$ 547,000

The Company has incurred costs in Canada related to its Brazilian resource assets that are not deductible or eligible for tax pools in either country. As such, the Company has recorded a future tax liability of $565,000 with respect to these non-deductible expenditures and capitalized the costs to the associated property.

(Expressed in Canadian Dollars)

12. INCOME TAXES (Continued)

At July 31, 2011, the Company had non-capital losses in Canada of approximately $4,618,000 which are available under certain circumstances to reduce future taxable income. The future benefit of these losses has not been recognized in the accounts. These losses expire as follows:

2014	**$ 294,000**
2015	**324,000**
2026	**574,000**
2027	**561,000**
2028	**771,000**
2029	**646,000**
2030	**701,000**
2031	**747,000**
	$ 4,618,000

13. SEGMENTED INFORMATION

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

	July 31, 2011		
	Canada	**Brazil**	**Consolidated**
Current assets	**$ 3,233,620**	**$ 131,095**	**$ 3,364,715**
Mineral properties and exploration costs	**-**	**15,197,801**	**15,197,801**
	$ 3,233,620	**$ 15,328,896**	**$ 18,562,516**

	July 31, 2010		
	Canada	Brazil	Consolidated
Current assets	$ 121,019	$ 6,605	$ 127,624
Mineral properties and exploration costs	-	14,427,110	14,427,110
	$ 121,019	$ 14,433,715	$ 14,554,734

AMERIX PRECIOUS METALS CORP.

(Expressed in Canadian Dollars)

14. COMMITMENTS AND CONTINGENCIES

(a) Limão Property

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

	Shares to be issued			
	Number of shares	$ Value of Shares	BRL Payments	$Cdn Payments
2011	-	-	145,000	89,233
Payment if reserve contains at least 1,000,000 ounces	127,750	29,383		

(All Brazilian real R$ amounts have been translated into Canadian dollars using the rate of exchange as at July 31, 2011. For purposes of the required payments to be made in shares, the July 31, 2011 share price of $0.23 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 December 20, 2011 and 2012.

All commitments and contingent commitments under all 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 vendor.

(1) Payment of Brazilian Reals 192,682 ($118,576) was made on October 20, 2011 in accordance with the agreement (145,000 Brazilian Reals adjusted for inflation).

(b) Ouro Roxo Property

Should an independent study confirm that the Ouro Roxo Property contains a mineral reserve (in the probable category or better) of at least 2,000,000 ounces of gold, the Company will be required to issue 322,083 common shares to Matapi.

(Expressed in Canadian Dollars)

14. COMMITMENTS AND CONTINGENCIES (Continued)

(c) Operating lease obligation

	Twelve months ended July 31			
	2012	**2013**	**2014**	**Total**
Office rent obligation	$ 36,000	$ 36,000	$ 27,000	$ 99,000

The term of the office lease is $3,000 per month for three years from May 1, 2011 to April 30, 2014.

15. SUBSEQUENT EVENT

Subsequent to the year-end, the Company's wholly-owned Brazilian subsidiary, MVPR, was named as a co-defendant by individuals claiming to be members of the Ouro Roxo Cooperativa (the "Cooperativa"). The individuals are i) seeking the annulment of the agreement signed between the Cooperativa and MVPR on October 7, 2004, and subsequently assigned by MVPR to a Brazilian National on August 30, 2007; ii) reinstatement of their squatter rights in the area of Garimpo Ouro Roxo; iii) payment of moral damages and property damages corresponding respectively to 20% and 10% of the total amount of gold produced during the period worked at Garimpo Ouro Roxo; and iv) payment of any environmental damages caused in the area. The estimated value of the claim is approximately Brazilian Reals 2,400,000. The Company and MVPR consider the claim to be without merit and intend to defend against it. No amount for the claim has been accrued in the Company's consolidated financial statements as at July 31, 2011.