LEXARIA CORP.
Form 10QSB
March 03, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-QSB

[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended : **January 31, 2008**

[ ] Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period __________ to __________

Commission File Number: **000-1348362**

Lexaria Corp.

(Exact name of small business issuer as specified in its charter)

Nevada	**20-2000871**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

604 - 700 West Pender Street, Vancouver, BC, V6E 1G8
(Address of principal executive offices)

604-602-1675
(Issuer s telephone number)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [ ] No [X]

State the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date:

As of January 31, 2008, there were 23,757,000 shares of common stock, par value $0.001, outstanding.

Transitional Small Business Disclosure Format (check one): Yes [ ] No [X]

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our unaudited interim financial statements included in this Form 10-QSB is as follows:

These unaudited interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-QSB. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended January 31, 2008 are not necessarily indicative of the results that can be expected for the full year.

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LEXARIA CORP.

(An Exploration Stage Company)

INTERIM FINANCIAL STATEMENTS

January 31, 2008

(Unaudited)

(Expressed in U.S. Dollars)

LEXARIA CORP.
(An Exploration Stage Company)

BALANCE SHEETS
(Expressed in U.S. Dollars)

		JANUARY 31 2008		OCTOBER 31 2007
ASSETS				
Current				
Cash and cash equivalents	$	102,428	$	78,061
Accounts receivable		242,653		38,313
Prepaid expenses and deposit		13,659		17,617
Total Current Assets		358,740		133,991
Capital assets, net		745		913
Oil and gas properties (Note 4)				
Proved property		3,324,280		3,076,877
Unproved properties		552,660		584,106
		3,876,940		3,660,983
TOTAL ASSETS	$	4,236,425	$	3,795,887
LIABILITIES AND STOCKHOLDERS' EQUITY				
LIABILITIES				
Current				
Accounts payable	$	120,055	$	19,395
Accrued liabilities		21,391		10,896
Loan payable (Note 5)		562,775		50,000
Secured loan payable (Note 6)		168,140		313,402
Due to related party		13,414		7,286
Total Current Liabilities		885,775		400,979
STOCKHOLDERS' EQUITY				
Share Capital				
Authorized:				
75,000,000 common voting shares with a par value of $0.001 per share				
Issued and outstanding:				
23,757,000 common shares at January 31, 2008 and October 31, 2007		23,757		23,757
Additional paid-in capital		5,032,580		5,011,018
Deficit accumulated during the exploration stage		(1,705,687)		(1,639,867)
Total Stockholders' Equity		3,350,650		3,394,908
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	4,236,425		3,795,887

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

LEXARIA CORP.
(An Exploration Stage Company)

STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
DECEMBER 9, 2004 (inception) TO JANUARY 31, 2008
(Expressed in U.S. Dollars)

	COMMON STOCK					
			STOCK TO BE ISSUED	ADDITIONAL	DEFICIT ACCUMULATED DURING	TO
	SHARES	AMOUNT	AMOUNT	PAID-IN CAPITAL	EXPLORATION STAGE	STOCKHOLD EQ
e of common stock for cash at						
er share						
Issued June 9, 2005	6,766,000	$ 6,766	$ -	$ 60,894	$ -	$ 67
Issued August 23, 2005	3,000,000	3,000	-	27,000	-	30
e of common stock for cash at						
er share						
Issued June 9, 2005	5,416,000	5,416	-	806,984	-	812
Stock to be issued	1,700,000	-	1,700	253,300	-	255
hensive income (loss):						
(Loss) for the period	-	-	-	-	(75,722)	(75
, October 31, 2005	16,882,000	15,182	1,700	1,148,178	(75,722)	1,089
e of common stock for cash at						
er share						
Stock issued - December 8, 2005	-	1,700	(1,700)	-	-	
Issued December 8, 2005	700,000	700	-	104,300	-	105
ation of premium on loan	-	-	-	18,474	-	18
- related party (note 7)						
hensive income (loss):						
(Loss) for the year	-	-	-	-	(508,257)	(508
, October 31, 2006	17,582,000	17,582	$ -	1,270,952	(583,979)	704
e of common stock for debt settlement at						
r share						
Issued November 9, 2006	4,000,000	4,000	-	1,996,000	-	2,000
ation of premium on loan	-	-	-	3,147	-	3
- related party (note 7)						
e of common stock for cash at $0.50						
re on July 18, 2007	2,100,000	2,100	-	1,047,900	-	1,050
ased compensation on 1,300,000	-	-	-	682,312	-	682
granted						

e of common stock per IR Marketing ent at $1.15 per share	75,000	75	-	10,707	-	10
hensive income (loss):						
(Loss) for the year	-	-	-	-	(1,055,888)	(1,055
, October 31, 2007	23,757,000	23,757	-	5,011,018	(1,639,867)	3,394
nsation earned for the period Marketing Agreement	-	-	-	21,562	-	21
hensive income (loss):						
(Loss) for the period	-	-	-	-	(65,820)	(65
, January 31, 2008	23,757,000	$ 23,757	$ -	$ 5,032,580	$ (1,705,687)	$ 3,350

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

LEXARIA CORP.
(An Exploration Stage Company)

INTERIM STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)

	THREE MONTHS ENDED JANUARY 31		CUMULATIVE PERIOD FROM INCEPTION 12/9/2004 TO JANUARY 31
	2008	2007	**2008**
Revenue			
Natural gas and oil revenue	**$ 354,340**	21,127	**$ 627,795**
Cost of revenue			
Natural gas and oil operating costs	**118,833**	16,268	**252,314**
Depletion	**140,253**	121,854	**455,817**
Write down in carrying value of oil and gas properties	**-**	95,770	**195,809**
	259,086	233,892	**903,940**
Gross profit	**95,254**	**(212,765)**	**(276,145)**
Expenses			
Accounting and audit	**30,445**	6,196	**150,912**
Advertising and promotions	**1,700**	-	**21,771**
Bank charges and exchange loss	**8,978**	663	**19,297**
Consulting (note 8)	**35,054**	15,000	**816,070**
Depreciation	**168**	168	**1,296**
Fees and Dues	**5,333**	250	**29,112**
Interest expense from loan payable (note 5)	**22,730**	3,954	**60,073**
Investor relation	**34,211**	-	**103,933**
Legal and professional	**9,604**	11,890	**132,593**
Office and miscellaneous	**5,942**	6,162	**20,371**
Rent	**2,449**	2,449	**18,409**

Telephone		695		-		3,185
Taxes		-		-		1,043
Travel		6,223		-		41,947
Impairment of oil and gas acquisition cost		-		-		40,439
		163,532		46,732		1,460,451
(Loss) for the period before other income		(68,278)		(259,497)		(1,736,596)
Other Income						
Interest income		2,458		5,592		26,667
Amortization of premium on loan payable (note 5)		-		807		4,242
Net (loss) for the period	$	(65,820)	$	(253,098)	$	(1,705,687)
Basic and diluted (loss) per share	$	(0.00)	$	(0.01)	$	(0.11)
Weighted average number of common shares outstanding						
- Basic and diluted		23,757,000		21,234,174		16,231,473

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

LEXARIA CORP.
(An Exploration Stage Company)

INTERIM STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)

	THREE MONTHS ENDED				CUMULATIVE PERIOD FROM INCEPTION 12/9/2004 TO	
		JANUARY 31, 2008		JANUARY 31, 2007		JANUARY 31, 2008
Cash flows used in operating activities						
Net (loss)	$	(65,820)	$	(253,098)	$	(1,705,687)
Adjustments to reconcile net loss to net cash used in operating activities:						
Consulting - Stock based compensation		-		-		682,312
Depreciation		168		168		1,296
Depletion		140,253		121,854		455,817
Write down in carrying value of oil and gas properties		-		95,770		195,809
Impairment of oil and gas acquisition cost		-		-		40,439
Accredited interest on loan payable		4,738		3,954		42,081
Amortization of premium on loan payable		-		(807)		(4,242)
Stock based compensation per IR Marketing Agreement		21,562		-		32,344
Change in operating assets and liabilities:						
(Increase)/Decrease in accounts receivable		(204,340)		10,586		(242,653)
Decrease in other receivable		-		(2,493)		-
(Increase)/ Decrease in prepaid expenses and deposit		3,958		(6,063)		(13,659)
Increase in accounts payable		100,660		(1,438)		120,055
Increase /(Decrease) in accrued liabilities		10,495		7,458		21,391
Increase /(Decrease) in due to related party		6,128		-		13,414

Positive cash generate in the quarter	**17,802**	(24,109)	**(361,283)**
Cash flows used in investing activities			
Oil and gas property acquisition and exploration costs	**(506,210)**	(834,469)	**(4,417,083)**
Purchase of computer equipment	**-**	-	**(2,041)**
Net cash used in investing activities	**(506,210)**	(834,469)	**(4,419,124)**
Cash flows from financing activities			
Proceeds from issuance of common stock	**-**	-	**2,320,060**
Proceeds from loan payable	**512,775**	-	**2,562,775**
Net cash from financing Activities	**512,775**	-	**4,882,835**
Increase (Decrease) in cash and cash equivalents	**24,367**	(858,578)	**102,428**
Cash and cash equivalents, beginning of period	**78,061**	1,285,298	**-**
Cash and cash equivalents, end of period	**$ 102,428**	$ 426,720	**$ 102,428**

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

LEXARIA CORP.
(An exploration stage company)

NOTES TO THE FINANCIAL STATEMENTS
January 31, 2008
(Expressed in U.S. Dollars)

1.

Basis of Presentation

The financial statements as of January 31, 2008 included herein have been prepared without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with United States generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. It is suggested that these financial statements be read in conjunction with the October 31, 2007 audited financial statements and notes thereto.

2.

Organization and Business

The Company is an exploration and development stage enterprise engaged in the exploration for and production of natural gas and oil in the United States and Canada.

3. Capital Stock

(a) Authorized Stock

(b) Share Issuances

Since the commencement of operations of the Company (December 9, 2004) to January 31, 2008, the Company issued 9,766,000 common shares at $0.01, 7,816,000 common shares at $0.15 and 6,100,000 common shares at $0.5 per share respectively. The Company has received paid subscriptions for 1,700,000 common shares at $0.15 on October 13, 2005 and for 700,000 common shares at $0.15 on December 8, 2005. 1,700,000 of the above notes shares were paid for during the fiscal year ended October 31, 2005, but actual share certificates were not issued until December 8, 2005.

The 9,766,000 shares at $0.01 per share were subscribed for by shareholders wishing to participate in the founding of the Company. These subscriptions covered the period from inception to December 23, 2004 with 6,766,000 and 3,000,000 shares being issued on June 9, 2005 and August 23, 2005 respectively.

On November 9, 2006, the Company has settled loan payable of $2 million with its equity. Four million shares, priced at $0.50 per common share; and 4 million warrants, each warrant entitling the holder to purchase one common share at a price of $0.6 valid until November 9, 2009, have been issued to the former debt-holders.

On July 18, 2007, the Company closed its private placement which comprised of the sale of 2,100,000 units at the price of $0.50 per unit for total proceeds of $1,050,000. Each unit is comprised of one restricted common share and one warrant to purchase one additional share of common stock at a price of $0.60, exercisable for a period of two years from the closing of this offering.

On September 15, 2007, the Company issuance 75,000 common shares at $1.15 per share to Agoracom Investor according to IR Marketing Agreement. The Company recorded $10,782 (net of unearned compensation of $75,468) in the statements of stockholders equity.

All shares and warrants issued are restricted under applicable securities rules. As at January 31, 2008, Lexaria Corp. has 23,757,000 shares issued and outstanding and 6,100,000 warrants issued and outstanding.

4.

Oil and Gas Properties

(a)

Proved properties

(1) Palmetto Point Project

On December 21, 2005, the Company agreed to purchase a 20% working and revenue interest in a 10 well drilling program in Mississippi owned by Griffin & Griffin Exploration for $700,000. Concurrent with signing the Company paid $220,000 and January 17, 2006 the company paid the remaining $480,000. The Company applied the full cost method to account for its oil and gas properties and as of January 31, 2008, seven wells were found to be proved wells, and three wells were found impaired. One of the wells was impaired due to uneconomic life, and the other two wells were abandoned due to no apparent gas or oil shows present. The costs of impaired properties were added to the capitalized cost in determination of the depletion expense.

On September 22, 2006, the Company elected to participate in additional two-well program in Mississippi owned by Griffin & Griffin Exploration and paid $140,000. As of January 31, 2008, two wells were found to be proved wells.

On June 23, 2007, the Company acquired an assignment of 10% gross working interest from a third party for $520,000 secured loan payable (See Note 6). The Company recognized $501,922 in the mineral property for the year ended October 31, 2007.

On October 4, 2007, the Company elected to participate in the drilling of PP F-12 and PP F-12-3 in Mississippi owned by Griffin & Griffin Exploration. The company has 30% of AFE and paid $266,348. On January 31, 2008, the Company accrued an additional cost of $109,494 for the workovers. PP F-12 has started production from October 2007, and PP F-12-3 has started production from November 2007.

(2) Mississippi and Louisiana, Frio-Wilcox Project

As of January 31, 2008, the first well CMR-US 39-14 was found to have sufficient hydrocarbons to become economic. USA 1-37 and BR F-33 have started production from November 2007. The Company applied the full cost method to account for its oil and gas properties.

As at January 31, 2007, the Company abandoned Dixon #1 due to no economic hydrocarbons being present and $162,420 of Wilcox s drilling costs was added to the capitalized costs. On June 2, 2007, the Company abandoned Randall #1 and $107,672 drilling costs was added to the capitalized costs in determination of depletion expense.

During August to October 2007, three additional wells, PP F-90, PP F-100, and PP F-111 were drilled in the area. These wells were abandoned due to modest gas shows and a total of $306,562 drilling costs was added to the capitalized costs in determination of depletion expense.

During December 2007, two additional wells, PP F-6A and PP F-83, were drilled and were plugged and abandoned. A total of $247,086 drilling costs was added to the capitalized costs in determination of depletion expense.

(3) Owl Creek Prospect, Oklahoma, USA

The Company elected to participate in Isbill #1-36 on August 3, 2006. Isbill #1-36 was abandoned on September 11, 2006, and costs amounted to $35,174 was added to capitalized cost in determination of depletion expenses.

On January 25, 2007, the Company elected to participate in Isbill #2-36. As at January 31, 2008, the Company has made accumulated expenditures of $72,627. Isbill #2-36 has started production from April 2007.

On October 10, 2007, the Company elected to participate in the drilling of Powell #3-25 and paid $42,236. On November 9, 2007, Powell #3-25 was plugged and abandoned. Drilling costs was added to the capitalized costs in determination of depletion expense.

Properties		**October 31, 2007**		**Addition**		**Depletion for the period**		**Write down in Carrying Value**		**January 31, 2008**
U.S.A. Proved property										
	$	**3,076,877**	**$**	**387,656**	**$**	**(140,253)**	**$**	**-**	**$**	**3,324,280**

(b)

Unproved Properties

Properties		**October 31, 2007**		**Addition**		**Cost added to capitalized cost**		**January 31, 2008**
U.S.A.-Unproved properties	**$**	**178,699**	**$**	**356,198**	**$**	**(387,644)**	**$**	**147,253**
Canada-Unproved properties		**405,407**		**-**		**-**		**405,407**
	$	**1,256,585**	**$**	**2,389,733**	**$**	**(3,063,076)**	**$**	**552,660**

(1) Strachan Leduc Reef, Alberta, Canada

On September 23, 2005, the Company entered into an agreement to participate in the Strachan Leduc Reef Farm-In in Alberta, Canada. The Company issued a payment of $218,739. (CDN $253,977) for a 4% participation in the costs of

Strachan Leduc Reef Farm-In. In addition, on January 9, 2006, the Company paid an amount $57,137, February 21, 2006 paid an amount of $56,511, April 10, 2006 paid an amount of $15,614, June 5, 2006 paid an amount of $38,353 and July 21, 2006 paid an amount of $19,054 to Odin Capital Inc. for required supplemental funds due to well hole problems. The Company will earn on completion, capped or abandoned with respect to the well to be drilled at 14 of 9-38-9-W5M the following:

(i)

In the Spacing Unit for the Earning Well:

a.

A 2.000% interest in the petroleum and natural gas below the base of the Mannville excluding natural gas in the formation; and

b.

A 4.000% interest in the natural gas in the Leduc formation before payout subject to payment of the Overriding Royalty which is convertible upon payout at royalty owners option to 50% of the Farmee s Interest;

(ii)

A 1.600% interest in the rights below the base of the Shunda formation in Section 10, Township 38, Range 9W5M; and

(iii)

A 1.289% interest in the rights below the base of the Shunda formation in Sections 15 and 16, Township 38, Range 9W5M down to the base as shown in the schedule attached to the agreement dated September 23, 2005.

At the date of these financial statements drilling is being carried out but is not completed.

As at January 31, 2008, the Company has made accumulated expenditures of $405,407 on its Leduc Farm-in.

(3)

Owl Creek Prospect, Oklahoma, USA

On August 3, 2006, the Company agreed to purchase a 7.5% working interest in the Owl Creek Prospect for the purchase price of $100,000. This agreement include the right to participate at a 7.5% working interest in all future wells drilled on a total of 1,080 acres surrounding the Powell #1 and #2, but does not include dry hole or completion costs of the future wells. In addition, the Company has the right to participate in any Areas of Mutual Interest that may be acquired by the Owl Creek Prospect participants.

As at January 31, 2008, the Company has made accumulated expenditures of $102,412.

(4) Mississippi and Louisiana, USA

The Company entered into an Agreement to acquire a working interest in multiple zones of potential oil and gas production in Mississippi and Louisiana. This Agreement contemplates up to a 50 well drill program for Wilcox and Frio wells, at the Company s option, within the defined area of mutual interest (AMI). The AMI includes over 300,000 gross acres located contiguously between Southwest Mississippi and North East Louisiana.

The Company has agreed to pay 40% of all prospect fees, mineral leases, surface leases, and drilling and completion costs to earn a net 32% of all production from all producible zones to the base of the Frio formation (Frio Targets); and, 30% of all production to the base of the Wilcox formation (Wilcox Targets). All working interests will be registered in the name of Lexaria Corp.

The Joint Participation Agreement and Joint Lands Agreements are between Lexaria Corp. and Griffin & Griffin Exploration LLC (G&G) of Jackson, Mississippi.

On June 21, 2007, the Company acquired 10% from a third party for all rights, title and benefits excluding the seven wells drilled under the AMI Agreement between August 3, 2006 and June 19, 2007, specifically wells CMR-USA-39-14, Dixon #1, Faust #1 TEC F-1, CMR/BR F-14, RB F-1 Red Bug #2, BR F-33, and Randall #1 F-4, and any offset wells that could be drilled to any of these specified wells.

On July 26, 2007, the Company acquired 5% from a third party for all rights, title and benefits in the seven wells drilled under the AMI Agreement between August 3, 2006 and June 19, 2007, specifically wells CMR-USA-39-14, Dixon #1, Faust #1 TEC F-1, CMR/BR F-14, RB F-1 Red Bug #2, BR F-33, and Randall #1 F-4, and any offset wells that could be drilled to any of these specified wells.

5.

Loan Payable

(a) Unsecured loan agreement

On November 13, 2007, the Company made an unsecured loan agreement in the amount of $250,000 with C.A.B. Financial Services Ltd. (CAB). CAB is owned by the president of the Company. The Maturity Date of the loan repayment will be the first annual anniversary of the date of the Loan Agreement. Interest will be 16.8% simple interest per annum and will be calculated and payable monthly in arrears. This interest payment is $3,500 per month.

On November 14, 2007, the Company made an unsecured loan agreement in the amount of CAD$250,000 with G K Braun Limited. The Maturity Date of the loan repayment will be the first annual anniversary of the date of the Loan Agreement. Interest will be 16.8% simple interest per annum and will be calculated and payable monthly in arrears. This interest payment is CAD$3,500 per month.

(b) Demand loan agreement

On March 20, 2007, the Company made a demand loan agreement in the amount of $50,000 with C.A.B. Financial Services Ltd. (CAB). CAB is owned by the president of the Company. The loan is unsecured and nil interest bearing and repayable on demand.

6.

Secured loan payable

On June 23, 2007, the Company acquired an assignment of 10% gross working interest of a Drilling Program from 0743868 B.C. Ltd (0743868) for $520,000. The payment schedule is as follows: On or before July 15, 2007, the Company shall pay to 0743868 the sum of $50,000; and, on or before the 15th day of each subsequent month, the Company shall pay to 0743868 the sum of $50,000 for ten consecutive months; and then a final payment of $20,000 on the eleventh payment date until such time as the entire $520,000 has been paid. If any payment less than the total amount is made and if the Company has not within 30 days of such partial payment being made completed the payments then due, then the pro-rata portion of the contemplated rights and interests will be deemed to have been properly purchased, but the pro-rata unpaid balance of the contemplated rights and interests shall revert back to 0743868.

The Company calculated the net present value of the secured loan payable by applying 8% interest rate, which was based on a T-bill rate of 4.28 plus a risk premium. The net present value of the secured loan payable on June 23, 2007 was $501,922. For the period ended January 31, 2008, the Company had made total of $350,000 repayment and accrued $16,218 interest expense since June 23, 2007 with ending balance of $168,141 as at January 31, 2008.

On January 30, 2008, the loan holder agreed to defer the payment for the remaining balance by 50 days.

7.

Related Party Transactions

(a) During the three month ended January 31, 2008, the Company paid CAB Financial Services (CAB) $7,500(2007: $7,500) and RMA Resource Management Associates (RMA) $7,500 (2007: $7,500) for management and consulting services. CAB is owned by the president of the Company and RMA is owned by the vice president of the Company.

The related party transactions are recorded at the exchange amount established and agreed to between the related parties.

(b)

On March 20, 2007, the Company made a demand loan agreement in the amount of $50,000 with CAB. (See Note 5(b)).

(c)

On November 13, 2007, the Company made an unsecured loan agreement in the amount of $250,000 with CAB. (See Note 5(a)).

(d)

Included in due to a related party, $13,414 was payable to a director of the Company for the reimbursement of the expenses incurred on behalf of the Company by the director.

8.

Stock Options

A summary of the stock options for the period ended January 31, 2008 is presented below:

	Options Outstanding	
	Number of Shares	Weighted Average Exercise Price
Balance, October 31, 2007	1,300,000	$ 0.81
Granted	-	-
Balance, January 31, 2008	1,300,000	$ 0.81

The Company has the following options outstanding and exercisable.

January 31, 2008	Options outstanding and exercisable		
Range of exercise prices	Number of shares	Weighted average remaining contractual life	Weighted Average Exercise Price
$0.80	700,000	3.24 years	0.80

$0.80	400,000	3.39 years	0.80
$0.85	200,000	3.47 years	0.85
Total	1,300,000		0.81

9.

Commitments

On June 21, 2007, the Company entered into a Finder s Fee Agreement (Agreement) with an individual (Finder) to further introduce, certain potential financiers directly or indirectly to the Company for a term of a year. Pursuant to the Agreement, the Company agreed to pay to Finder a finder s fee equal to up to 10% of the gross proceeds in connection with a Financing consummated by the Company with any Financier introduced to the Company by Finder, provided that such introduction was made during the term.

On September 15, 2007, the Company entered an Online IR Marketing Agreement with a third party for online marketing service for a term of one year for a monthly payment of $2,000 per month and 75,000 common stocks (issued) of the Company.

See Note 4 (a) (1) and Note 6.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Forward-Looking Statements

This quarterly report contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as may , should , expects , plans , anticipates , b estimates , predicts , potential or continue or the negative of these terms or other comparable terminology. Th statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled Risk Factors , that may cause our company s or our industry s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to common shares refer to the common shares in our capital stock.

As used in this quarterly report, the terms we , us , our , our company and Lexaria mean Lexaria Corp., unless oth indicated.

Historical results and trends should not be taken as indicative of future operations. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on the operations and future prospects of the Company include, but are not limited to: unanticipated problems relating to exploration, hazards such as pollution, or other hazards which cannot be insured against or predicted, changes in economic conditions, availability of capital, competition, and generally accepted accounting principles. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

Overview

We are a Nevada corporation incorporated on December 9, 2004. We are an exploration and development stage oil and gas company engaged in the exploration for oil and natural gas in Canada and the United States. We are currently generating revenues and have proved oil and gas reserves from our business operations in Mississippi and in Oklahoma. We have acquired the right to explore the Strachan Hills oil and gas property in Alberta, Canada and assumed a working interest in the Owl Creek Prospect, Oklahoma and the Palmetto Point and other oil and gas properties in Mississippi, USA. Our detailed business plan is discussed herein.

The following disclosure relates to each property that we have an interest in:

Alberta

We have acquired an interest in a property located 80 miles northwest of Calgary, Alberta, Canada. On September 23, 2005, our Company signed an agreement to participate in a 13,330 foot drill program. As of January 31, 2008, the Company has paid $405,407 for a 4% gross interest to participate in any oil and gas produced (before recovery of the costs of the drill program), reducing to a 2% interest after recovery of the drilling costs. The Company expects to pay further costs equal to it s 4% interest in completing and equipping an earning well to a pipeline tie in if warranted. The property is reached by traveling 100 miles north from the city of Calgary on Highway #22, and is approximately a one-half hour drive past the town of Rocky Mountain House.

Drilling of this well has been completed and some evaluation has been completed. The well may or may not be commercial and we require additional evaluation before we can determine the status of this well. Odin Capital Inc. of Calgary, Alberta, with whom the Company entered into this agreement, is a Canadian exploration finance company that arranges all aspects of identifying, financing, exploring and drilling properties. The operator of the earning well is Rosetta Exploration Inc. of Calgary, Alberta.

Mississippi

As of January 31, 2008, the Company currently owns a 30% gross working interest in 12 wells; a 45% gross working interest in 7 wells; and a 50% gross working interest in 43 wells (of which 38 wells remain to be drilled); all located in Mississippi under various agreements with Griffin & Griffin Exploration, L.L.C. Additional details of these interests are noted below.

The Company entered into a 10-hole drilling program agreement (the Griffin Drilling Program Agreement) with Griffin & Griffin Exploration, L.L.C. (Griffin) dated December 21, 2005, whereby we acquired a 20% gross interest in any oil and gas produced, in a 10-well drilling program (the Drilling Program), to be carried out at Palmetto Point, Southwest Mississippi.

Palmetto Point is approximately 150 miles southwest of Jackson, Mississippi and approximately 50 miles north/northwest of Baton Rouge, Louisiana. It is 30 miles west of Woodville, Mississippi off of State Highway 33.

By January 17, 2006 we paid $700,000 to Griffin, which represented the full cost of the Company s 20% working interest in the Drilling Program. There were no further costs to the Company in earning its interest, including well development costs or pipeline connectors. Griffin has agreed that the leases held by it covering any mineral estate underlying the applicable well site acreage shall not provide for more than twenty-five (25%) percent royalty and overriding royalty interest. Our net interest in any oil and gas produced is calculated by subtracting the applicable royalties from our 20% gross interest. Consequently, our original net working interest in the drilling program was a minimum fifteen (15%) percent net working interest. Griffin conducted the Drilling Program in its capacity as Operator. We subsequently increased our participation under this program by spending $140,000 to earn the same 20% interest in 2 additional wells 12 wells total and all drilled - and we subsequently increased our gross interest to 30% in these 12 wells, or a net working interest of 22.5%. The results of these wells are as follows as of January 31, 2008:

Phase I Palmetto Point 30% gross interest

Well Name	Spud/Start	Complete	Results	Depth	Status
PP F-40	May 11/06	May 16/06	Frio Gas; 12 ft.	3850	Temporary shut-in
PP F-118	May 18/06	May 22/06	Frio Gas; 14 ft.	3808	Temporary shut-in
PP F-121	May 24/06	May 29/06	Dry	3850	Plug & abandon
PP F-7	May 31/06	June 4/06	Dry	3800	Plug & abandon
PP F-39	June 10/06	June 16/06	Frio Gas/Oil; 12 ft.	3900	Producing
PP F-42	June 18/06	June 21/06	Frio Gas/Oil; 10 ft.	3170	Producing
PP F-36-2	June 23/06	July 2/06	Frio Gas; 8 ft.	3450	Temporary shut-in
PP F-4	Oct 31/06	Nov. 5/06	Frio Gas; 8 ft.	4200	Temporary shut-in
PP F- 29	Nov 11/06	Nov. 14/06	Frio Gas; 37 ft.	4100	Producing

PP F-12	Dec 18/06	Dec. 24/06	Frio Gas; 3 ft.	4016	Producing
			Frio Oil, 26 ft.		
PP F-6B		July 27/06	Frio Gas		Producing
PP F-52A		July 27/06	Frio Gas/Oil		Temporary shut-in
PP F-12-3	Nov/07	Nov/07	Frio Oil		Producing

On August 3, 2006, we entered into our Phase II agreement with Griffin & Griffin Exploration LLC, which covers an Area of Mutual Interest (AMI) exclusive to the participants, which includes 50 prospects for drilling of wells to depths sufficient to test prospectively producible hydrocarbons from the top of the Frio Formation to the bottom of the Wilcox Formation. From these 50 prospects, Griffin and Griffin and the participants will select all drill locations. We had contracted to assume a 40% gross interest in this AMI, meaning we were obligated to pay 40% of costs related to licensing, permitting, drilling, completing and all other related costs. This 50-well AMI is intended to be drilled in several stages. The first stage had a total cost of $4 million, of which Lexaria s pro rata share is $1.6 million. The Company had placed $1,600,000 in trust to completely fund this initial commitment. During the drill program, an unrelated third party participant elected not to continue their participation in the program, and we assumed our pro-rata portion of their 10% gross working interest as our own, at no additional cost, bringing our total gross working interest in these seven wells and their leases, to 45%.

The first of these 7 wells was successfully drilled and completed and entered into production. The second well in this Phase II program targeted the Wilcox formation, did not encounter commercially viable quantities of hydrocarbons, and was plugged and abandoned, with total costs associated with this well of $162,420. All 7 of these wells have now been drilled, with results as follows:

Phase II 45% gross interest

Well Name	**Spud/Start**	**Complete**	**Results**	**Depth**	**Status**
CMR-USA-39-14 RB F-3	Sept. 8/06	Sept. 12/06	Frio Gas 14 ft.	3,200	Producing
Dixon #1	Jan. 03/07	Jan. 20/07	Wilcox Target; Dry	8,650	Plug & abandon
Faust #1,	Feb. 05/07	Feb. 11/07	Frio Gas 9 ft	5,350	Connection pending
TEC F-1					
CMR/BR F-24	Feb. 20/07	Feb. 24/07	Frio Gas	3,250	Status unknown
RB F-1	May 08/07	May 13/07	Frio Gas 10 ft	3,180	Connection pending
Red Bug #2					
BR F-33	May 20/07	May 24/07	Frio Gas 12 ft	3,837	Producing
Randall #1	May 27/07	June 03/07	Frio Target: Dry	5,100	Plug & abandon
Closure F-4					

Phase III 50% gross interest

As of January 31, 2008, five additional wells were drilled under the 50-well AMI. Each of these wells encountered non commercial quantities of hydrocarbons and were plugged and abandoned. There are 38 wells remaining to be drilled under the terms of the 50-well AMI as of January 31, 2008.

After a well has been drilled and completed and enters into production, we are responsible for paying our share of production and operations costs. As a matter of course, we will have to pay pipeline transmission costs if and when each well starts transporting natural gas.

Oklahoma

On August 3, 2006, the Company entered an agreement to acquire a 7.5% working interest in the Owl Creek Prospect, Oklahoma. The operator is Ranken Energy Ltd. of 417 W. 18th Street, Suite 101, Edmond, Oklahoma. We paid $100,000 for a 7.5% interest and to participate in the Isbill #1-36 well. The Isbill #1-36 well was drilled and on

September 11, 2006 the Company elected to abandon the well but reserved the right under the agreement to participate in future additional wells in the AMI in the Owl Creek Prospect.

During the fiscal year, 2007, our second participatory well was drilled at Owl Creek, the Isbill #2-36 well, in which we also have a 7.5% interest. The Isbill#2-36 well was successful and is in production of both oil and natural gas and is contributing to our revenue generation.

Results of Operations for the Three Months Ended January 31, 2008

For the three-month period ended January 31, 2008, there were revenues of $354,340 compared to revenues of $21,127 for the same three-month period in the prior year. The increase in revenues for both periods was caused by oil and natural gas sales received from the Company s properties in Mississippi and Oklahoma. In particular the revenues increased from the Company s Mississippi operations as a result of three intermittently producing oil wells.

For the three-month period ended January 31, 2008 we incurred costs and expenses in the amount of $422,618, compared to costs and expenses of $280,624 for the same three-month period in the prior year.

This increase in costs and expenses is attributable to exploration costs and administrative expenses we incurred in connection with the following:

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Depletion costs increased to $140,253 for the three month period ending January 31, 2008 (January 31, 2007: $121,854). The increase was caused by the inclusion of more producing wells. There was a decrease in the write down of the carrying value of oil and gas properties, amounting to $nil for the three month period ended January 31, 2008 (January 31, 2007:$95,770).

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Oil and gas well operating costs increased to $118,833 for the three month period ending January 31, 2008 (January 31, 2007: $16,266), as a result of more wells producing oil and/or natural gas.

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Accounting and audit costs increased to $30,445 for the three month period ending January 31, 2008 (January 31, 2007: $6,196) due to the inclusion of the audit fee.

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Bank charges and exchange loss increased to $8,978 for the three month period ending January 31, 2008 (January 31, 2007: $663) as result of currency movements between the Canadian and US Dollar.

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Fees paid to a consultant. In the three month period ended January 31, 2008, the Company incurred $35,054 (January 31, 2007: $15,000). The increase in fees was due to $20,054 paid to a consultant involved in the review of the Company s Mississippi prospect.

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Interest expense from loan agreements increased to $22,730 for the three month period ending January 31, 2008 (January 31, 2007: $3,954) due to the interest paid on third party loans, both secured and not secured.

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Investor relation costs increased to $34,211 for the three month period ending January 31, 2008 (January 31, 2007: $nil), as the Company contracted an arms length party to perform investor relations.

The Net Loss for the three months ending January 31, 2008 was $(65,820) (January 31, 2007: $(253,098)), The decrease in losses was caused by an increase in revenues from the Company s operations which was partially offset by an increase in the Company s operating expenses.

Assets

As of January 31, 2008, we had current assets of $358,740 and total assets of $4,236,425. We had total assets of $3,795,887 as of October 31, 2007. The increase in total assets was caused by an increase in oil and gas properties of $506,210 and an increase in an accounts receivable of $204,340 resulting from increased revenues from the Company s Mississippi prospect.

Liquidity and Capital Resources

As of January 31, 2008, we had total current assets of $358,740 (October 31, 2007: $133,991) and total assets in the amount of $4,236,425 (October 31, 2007: $3,795,887). Our total current liabilities as of January 31, 2008 were $885,775 (October 31, 2007: $400,979). As a result, on January 31, 2008 we had negative working capital of $(527,035) (October 31, 2007: $(266,988)). The decrease in working capital was caused by an increase in Loan

Payable to $562,775 which was partially offset by investments in oil and gas properties and the increases in general expenses as explained previously.

We relied on cash on hand previously raised through the issue of equity/debt capital to fund our operations during the three months ended January 31, 2008.

The company generates revenue, but not sufficient to generate a profit. We still anticipate the need to raise significant capital through the sale of equity or debt securities on a private or public basis in order to sustain operations and meet our objectives. It is uncertain whether we will be able to obtain the necessary capital.

We intend to fund operations and commitments over the next twelve months from our cash on hand, including our capital expenditures, working capital or other cash requirements. We believe cash from operating activities, and our existing cash resources may not be sufficient to meet our working capital requirements for the next 12 months. We will likely require additional funds to support the Company s business plan. Management intends to raise additional working capital through debt and equity financing. There can be no assurance that additional financing will be available on acceptable terms, if at all. If adequate funds are not available, we may be unable to take advantage of future opportunities, respond to competitive pressures, and may have to curtail operations.

Natural Gas and Oil Properties

We account for our oil and gas producing activities using the full cost method of accounting as prescribed by the United States Securities and Exchange Commission (SEC). Accordingly, all costs associated with the acquisition of properties and exploration with the intent of finding proved oil and gas reserves contribute to the discovery of proved reserves, including the costs of abandoned properties, dry holes, geophysical costs, and annual lease rentals are capitalized. All general corporate costs are expensed as incurred. In general, sales or other dispositions of oil and gas properties are accounted for as adjustments to capitalized costs, with no gain or loss recorded. Amortization of evaluated oil and gas properties is computed on the units of production method based on all proved reserves on a country-by-country basis. Unevaluated oil and gas properties are assessed at least annually for impairment either individually or on an aggregate basis. The net capitalized costs of evaluated oil and gas properties (full cost ceiling limitation) are not to exceed their related estimated future net revenues from proved reserves discounted at 10%, and the lower of cost or estimated fair value of unproved properties, net of tax considerations. These properties are included in the amortization pool immediately upon the determination that the well is dry.

Unproved properties consist of lease acquisition costs and costs on well currently being drilled on the properties. The recorded costs of the investment in unproved properties are not amortized until proved reserves associated with the projects can be determined or until they are impaired.

Revenue Recognition

Revenue from sales of crude oil, natural gas and refined petroleum products are recorded when deliveries have occurred and legal ownership of the commodity transfers to the customers. Title transfers for crude oil, natural gas and bulk refined products generally occur at pipeline custody points or when a tanker lifting has occurred. Revenues from the production of oil and natural gas properties in which we share an undivided interest with other producers are recognized based on the actual volumes sold by us during the period. Gas imbalances occur when our actual sales differ from its entitlement under existing working interests. We record a liability for gas imbalances when we have sold more than our working interest of gas production and the estimated remaining reserves make it doubtful that the partners can recoup their share of production from the field. For the three months ending January 31, 2008 and for fiscal 2007, we had no overproduced imbalances

Item 3. Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of January 31, 2008. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer, Mr. Christopher Bunka. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of January 31, 2008, our disclosure controls and procedures are effective. There have been no significant changes in our internal controls over financial reporting during the quarter ended January 31, 2008 that have materially affected or are reasonably likely to materially affect such controls.

Disclosure controls, procedures and controls and other procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Internal Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. An internal control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any pending legal proceeding as at January 31, 2008. We are not aware of any pending legal proceeding to which any of our officers, directors, or any beneficial holders of 5% or more of our voting securities are adverse to us or have a material interest adverse to us.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

No matters have been submitted to our security holders for a vote, through the solicitation of proxies or otherwise, during the quarterly period ended January 31, 2008.

Item 5. Other Information

None

Item 6. Exhibits

Exhibit No.	Description
3.1*	Articles of Incorporation
3.2*	Bylaws
4.1*	Specimen ordinary share certificate
31.1	Rule 13(a) - 14 (a)/15(d) - 14(a) Certifications
32.1	Section 1350 Certifications

*Incorporated by reference to same exhibit filed with the Company's Registration Statement on Form SB-2 dated January 10, 2006.

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 5, 2008

LEXARIA CORP.

/s/ "Leonard MacMillan"
Leonard MacMillan
President (Principal Executive Officer) and member of the Board of Directors
5/03/2008

/s/ "Chris Bunka"
Chris Bunka
Chairman of the Board, CEO, Secretary, Treasurer
5/03/2008

Rule 13a-14(a)/15d-14(a)

CERTIFICATIONS

I, Leonard MacMillan, the President (Principal Executive Officer), Chief Executive Officer and Director of Lexaria Corp., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of LEXARIA CORP.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this quarterly report;

4. The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weakness in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date : March 5, 2008

By: *"/s/ "Leonard MacMillan"*
Leonard MacMillan
President (Principal Executive Officer)
and member of the Board of Directors

Rule 13a-14(a)/15d-14(a)

CERTIFICATIONS

I, Chris Bunka, Principal Financial Officer (Principal Accounting Officer), and Director of Lexaria Corp., certify that:

1. I have reviewed this quarterly report on Form 10-QSB of LEXARIA CORP.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this quarterly report;

4. The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weakness in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: : March 5, 2008

By: *<u>/s/ "Chris Bunka"</u>*
Chris Bunka
CEO, Principal Financial Officer (Principal Accounting Officer) and Chairman of the Board of Directors

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Section 1350 Certifications

CERTIFICATE OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Leonard MacMillan, President, (Principal Executive Officer) and Director of Lexaria Corp. certify that the Quarterly Report on Form 10-QSB (the "Report") for the quarter ended : March 5, 2008, filed with the Securities and Exchange Commission on the date hereof:

(i) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

(ii) the information contained in the Report fairly presents in all material respects, the financial condition and results of operations of Lexaria Corp.

Date: : March 5, 2008

By: *<u>/s/ "Chris Bunka"</u>*
Chris Bunka
CEO (Principal Executive Officer) and Chairman of the Board of Directors

A signed original of this written statement required by Section 906 has been provided to Lexaria Corp. and will be retained by Lexaria Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Section 1350 Certifications

CERTIFICATE OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350

As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Chris Bunka, Chief Financial Officer (Principal Accounting Officer) and Director of Lexaria Corp. certify that the Quarterly Report on Form 10-QSB (the "Report") for the quarter ended : March 5, 2008, filed with the Securities and Exchange Commission on the date hereof:

(i) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

(ii) the information contained in the Report fairly presents in all material respects, the financial condition and results of operations of Lexaria Corp.

Date: : March 5, 2008

By: *<u>/s/ "Chris Bunka"</u>*
Chris Bunka
Principal Financial Officer (Principal Accounting Officer), and Chairman of the Board of Directors

A signed original of this written statement required by Section 906 has been provided to Lexaria Corp. and will be retained by Lexaria Corp. and furnished to the Securities and Exchange Commission or its staff upon request.