Lexaria Corp.
Form 10QSB
June 14, 2007

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UNITED STATES
SECUR ITIES AND EXCHANGE COMMISSION
Washington, D.C., 20549

FORM 10-QSB

(Mark one)
ý QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly period ended April 30, 2007

r TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT
For the transition period from __________to___________

Commission file number 333-132134

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, British Columbia, Canada, V6C 1G8
(Address of principal executive offices)

(604) 602-1675
(Issuer's Telephone Number)

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

Check whether the issuer (1) filed all reports require to be filed by sections 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorten period that the registrant was required to file such report), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No r.

Indicate by a check mark whether the registration is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes r No ý.

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDING DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.
Yes r No r.

APPLICABLE ONLY TO CORPORATE ISSUERS

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

Outstanding as of April 30, 2007: 21,582,000 common shares

Transitional Small Business Disclosure Format (Check one): Yes r No ý

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The following interim unaudited financial statements for the three-month period ended April 30, 2007 has been prepared by management.

LEXARIA CORP.

(An Exploration Stage Company)

INTERIM FINANCIAL STATEMENTS

April 30, 2007

(unaudited)

LEXARIA CORP.
(An Exploration Stage Company)

BALANCE SHEETS
(Expressed in U.S. Dollars)

		APRIL 30 2007 (Unaudited)		OCTOBER 31 2006 (Audited)
ASSETS				
Current				
Cash and cash equivalents	$	29,002	$	1,285,298
Accounts receivable		10,464		11,733
Other receivable		-		1,726
Prepaid expenses and deposit		7,063		-
Total Current Assets		46,529		1,298,757
Capital assets, net		1,257		1,593
Oil and gas properties (Note 4)				
Proved property		249,418		162,308
Unproved properties		2,142,223		1,256,585
		2,391,641		1,418,893
TOTAL ASSETS	$	2,439,427	$	2,719,243
LIABILITIES AND STOCKHOLDERS' EQUITY				
LIABILITIES				
Current				
Accounts payable	$	21,912	$	1,688
Accrued liabilities		3,375		13,000
Premium on loan payable (Note 5)		-		13,241
Loan payable (Note 5)		50,000		1,986,759
Due to related party		23,783		-
Total Current Liabilities		99,070		2,014,688
STOCKHOLDERS' EQUITY				
Share Capital				
Authorized:				
75,000,000 common voting shares with a par value of $0.001 per share				
Issued and outstanding:				
21,582,000 common shares at April 30, 2007				
(and 17,582,000 common shares at October 31, 2006)		21,582		17,582
Additional paid-in capital		3,527,098		1,270,952
Deficit accumulated during the exploration stage		(1,208,324)		(583,979)
Total Stockholders' Equity		2,340,357		704,555
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	2,439,427		2,719,243

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

LEXARIA CORP.
(An Exploration Stage Company)

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
DECEMBER 9, 2004 (inception) TO APRIL 30, 2007
(Expressed in U.S. Dollars)
(Unaudited)

	COMMON STOCK					
	SHARES	AMOUNT	STOCK TO BE ISSUED AMOUNT	ADDITIONAL PAID-IN CAPITAL	DEFICIT ACCUMULATED DURING EXPLORATION STAGE	TOTAL STOCKHOLDERS' EQUITY

Issuance of common stock for cash at
$0.01 per share
Issued June 9, 2005

6,766,000

$

6,766

$

-

$

60,894

$

-

$

67,660

Issued August 23, 2005

3,000,000

3,000

-

27,000

-

30,000

Issuance of common stock for cash at

$0.15 per share

Issued June 9, 2005	
	5,416,000
	5,416
	-
	806,984
	-
	812,400
Stock to be issued	
	1,700,000
	-
	1,700
	253,300
	-
	255,000

Comprehensive income (loss):

(Loss) for the period

-

-

-

-

(75,722

)

(75,722

)

Balance, October 31, 2005

16,882,000

15,182

1,700

1,148,178

(75,722

)

1,089,338

Issuance of common stock for cash at

$0.15 per share

Stock issued - December 8, 2005

-

1,700

(1,700

)

-

-

-

Issued December 8, 2005

700,000

700

-

104,300

-

105,000

Amortization of premium on loan

-

-

-

18,474

-

18,474

payable - related party (note 6)

Comprehensive income (loss):

(Loss) for the year

-

-

-

-

(508,257

)

(508,257

)

Balance, October 31, 2006

17,582,000

$

17,582

$

-

$

1,270,952

$

(583,979

)

$

704,555

Issuance of common stock for debt settlement at

$0.5 per share

Issued November 9, 2006

4,000,000

4,000

-

1,996,000

-

2,000,000

Amortization of premium on loan

-

-

-

3,147

-

3,147

payable - related party (note 6)

Stock-based compensation on 700,000

-

-

-

257,000

-

257,000

options granted

Comprehensive income (loss):

(Loss) for the period

-

-

-

-

(624,345

)

(624,345

)

Balance, April 30, 2007

21,582,000

$

21,582

$

-

$

3,527,099

$

(1,208,324

)

$

2,340,357

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

LEXARIA CORP.
(An Exploration Stage Company)

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

	THREE MONTHS ENDED APRIL 30		SIX MONTHS ENDED APRIL 30		CUMULATIVE PERIOD FROM INCEPTION 12/9/2004 TO APRIL 30,
	2007	2006	**2007**	2006	**2007**
Revenue					
Natural gas and oil revenue	**$ 39,614**	-	**$ 60,741**	-	**$ 81,048**
Cost of revenue					
Natural gas and oil operating costs	**10,527**	-	**26,795**	-	**35,369**
Depletion	**74,502**		**196,356**		**363,413**
Write down in carrying value of oil and gas properties	**-**	-	**95,770**	-	**291,579**
	85,029	-	**318,921**	-	**690,361**
Gross profit	**(45,415)**	**-**	**(258,180)**	**-**	**(609,313)**
Expenses					
Accounting and audit	**15,868**	3,202	**22,065**	19,984	**92,627**
Bank charges and exchange loss	**1,963**	44	**2,625**	181	**5,585**
Consulting (note 6)	**272,000**	4,500	**287,000**	4,500	**317,500**
Depreciation	**168**	112	**336**	112	**784**
Fees and Dues	**2,024**	1,590	**2,274**	1,590	**16,090**
Interest expense from loan payable (note 5)	**-**	-	**3,954**	-	**25,863**
Investor relation	**1,950**	-	**1,950**	-	**1,950**
Legal	**22,164**	15,467	**34,054**	27,545	**85,581**
Office and miscellaneous	**1,630**	248	**7,792**	248	**8,452**
Rent	**2,449**	1,500	**4,898**	1,500	**11,064**
Travel	**7,017**	3,198	**7,017**	3,198	**10,435**
Impairment of oil and gas acquisition cost	**-**	-	**-**	-	**40,439**
	327,233	29,861	**373,965**	58,858	**616,370**
(Loss) for the period before other income	**(372,648)**	(29,861)	**(632,145)**	(58,858)	**(1,225,683)**
Other Income					
Interest income	**1,401**	-	**6,993**	-	**13,117**
Amortization of premium on loan payable (note 5)	**-**	-	**807**	-	**4,242**
Net (loss) for the period	**$ (371,240)**	$ (29,861)	**$ (624,345)**	$ (58,858)	**$ (1,208,324)**
Basic and diluted (loss) per share	**$ (0.02)**	$ (0.00)	**$ (0.03)**	$ (0.00)	**$ (0.09)**
Weighted average number of common shares outstanding - Basic and diluted	**21,582,000**	17,582,000	**21,405,204**	17,435,039	**14,056,907**

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

LEXARIA CORP.
(An Exploration Stage Company)

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

	SIX MONTHS ENDED APRIL 30, 2007	SIX MONTHS ENDED APRIL 30, 2006	CUMULATIVE PERIOD FROM INCEPTION 12/9/2004 TO APRIL 30, 2007
Cash flows used in operating activities			
Net (loss)	$ (624,345)	$ (58,858)	$ (1,208,324)
Adjustments to reconcile net loss to net cash used in operating activities:			
Consulting - Stock based compensation (note 7)	257,000	-	257,000
Depreciation	336	112	784
Depletion	196,356		363,413
Write down in carrying value of oil and gas properties	95,770		291,579
Impairment of oil and gas acquisition cost	-		40,439
Accredited interest on loan payable (note 5)	3,954		25,863
Amortization of premium on loan payable (note 5)	(807)		(4,242)
Change in operating assets and liabilities:			
Accounts receivable	1,269		(10,464)
Other receivable	1,726		-
Prepaid expenses and deposit	(7,063)	18,214	(7,063)
Accounts payable	20,224	17,187	21,912
Accrued liabilities	(9,625)		3,375
Due to related party	23,783	-	23,783
Net cash used in operating activities	(41,422)	(23,345)	(201,945)
Cash flows used in investing activities			
Oil and gas property acquisition and exploration costs	(1,264,874)	(829,261)	(3,087,072)
Purchase of computer equipment	-	(2,041)	(2,041)
Net cash used in investing activities	(1,264,874)	(831,302)	(3,089,113)
Cash flows from financing activities			
Proceeds from issuance of common stock	-	105,000	1,270,060
Proceeds from loan payable	50,000	-	2,050,000
Net cash from financing Activities	50,000	105,000	3,320,060
Increase (Decrease) in cash and cash equivalents	(1,256,296)	(749,647)	29,002
Cash and cash equivalents, beginning of period	1,285,298	863,560	-
Cash and cash equivalents, end of period	$ 29,002	$ 113,913	$ 29,002

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

LEXARIA CORP.
(An exploration stage company)

NOTES TO THE FINANCIAL STATEMENTS
April 30, 2007
(Expressed in U.S. Dollars)

1.

Basis of Presentation

The financial statements as of April 30, 2007 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, 2006 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

The Company has authorized 75,000,000 common shares with a par value of $0.001 per share.

(b) Share Issuances

Since the commencement of operations of the Company (December 9, 2004) to April 30, 2007, the Company issued 9,766,000 common shares at $0.01, 7,816,000 common shares at $0.15 and 4,000,000 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. Total cash proceeds were $3,270,060 comprising $21,582 for par value shares and $3,248,478 for additional paid in capital, and $21,621 from amortization of premium on loan payable. 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.

Subsequent to December 23, 2004, the directors decided that, following the application for the Papua New Guinea petroleum prospecting license on February 3, 2005, which the directors at that time felt the Company had a good chance of being granted, and having reached the decision to participate in the oil and gas exploration sector in general, the directors increased the price for subsequent subscribers to $0.15 per share. Thus all subscription agreements for shares priced at $0.15 per share took place between February 2005 and December 2005.

There were no differences in rights and privileges of the two groups of common stockholders.

On November 9, 2006, the Company has settled existing 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.

All shares and warrants issued are restricted under applicable securities rules. As at April 30, 2007, Lexaria Corp. has 21,582,000 shares issued and outstanding and 4,000,000 warrants issued and outstanding.

4.

Oil and Gas Properties

(a)

Proved property, Mississippi, USA

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 on 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 April 30, 2007, five wells were found to be proved wells.

Mississippi and Louisiana, Frio-Wilcox Project

As of April 30, 2007, the first well CMRUS 39-14 was found to be proved well and the Company applied the full cost method to account for this property.

Properties	October 31, 2006	Addition	Depletion for the period	Write down in Carrying Value	April 30, 2007
U.S.A. - Proved Property	**$ 162,308**	**$ 379,236**	**$ (196,356)**	**$ (95,770)**	**$ 249,418**

(b) Unproved Properties

Properties	October 31, 2006	Addition	Depletion for the period	April 30, 2007
U.S.A. - Unroved Properties	**$ 851,178**	**$ 1,264,874**	**$ (379,236)**	**$ 1,736,816**
Canada - Unproved Properties	**405,407**	**-**	**-**	**405,407**
	$ 1,256,585	**$ 1,264,874**	**$ (379,236)**	**$ 2,142,223**

(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 April 30, 2007, the Company has made accumulated expenditures of $405,407 on its Leduc Farm-in.

(2)

Palmetto Point Prospect, Mississippi, USA

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. As of April 30, 2007, five 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.

(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 April 30, 2007, the Company has made accumulated expenditures of $102,097.

The Company also 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 charged to the income statement.

On January 25, 2007, the Company elected to participate in Isbill #2-36. As at April 30, 2007, the Company has made accumulated expenditures of $63,955.

(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.

As at January 31, 2007, the Company abandoned Wilcox #1 well due to the uneconomic well and $162,420 of Wilcox s drilling costs was added to the capitalized costs in determination of depletion expense. As at April 30, 2007, CMR USA 39-14 was found to be proved well.

(5)

Papuea New Guinea, USA

On February 3, 2005 the Company made an application for a Petroleum Prospecting License (APPL 264) to the Department of Petroleum and Energy, Papua New Guinea. The application has not been approved as of October 31, 2006. All costs associated with the application have been expensed as there is no certainty the Company will acquire a Petroleum Prospecting License nor that the funds will be returned if no Petroleum Prospecting License is granted. The Company has written off the application fee in 2005.

5.

Loan Payable

(a) Unsecured loan agreement

On July 31, 2006, the Company made an unsecured loan agreement in the amount of $2,000,000 between four separate shareholders and one arm s length party repayable on demand, but in no event shall demand be made on or before November 30, 2006. However, the Company is entitled to prepay at any time the whole or any part of the principal amount of the loan. The Company agrees to pay the principal amount of the loan on or before November 30, 2006. The loan will not bear interest. The Company calculated the premium on loan payable and the net present value of loan payable by applying 8% interest rate, which was based on a T-bill rate of 4.18% plus a risk premium. Total premium at the date of fund received was $35,150 and is amortized using interest method. The net present value of the loan payable at the date of fund received was $1,964,850.

On November 9, 2006, the Company has settled existing 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.

During the three month ended January 31, 2007, interest expense was $3,954. The amortization of premium on loan payable for related parties was $3,147 which was included in the additional paid-in capital and for non related party was $807 which was included in the other income.

(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 repayable on demand and will not bear interest.

6.

Related Party Transactions

(a) During the three month period ended April 30, 2007, the Company paid CAB Financial Services (CAB) $7,500 and RMA Resource Management Associates (RMA) $7,500 (April 30, 2006: $4,500) 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. As at April 30, 2007, the Company due to related parties $23,783. The related party transactions are recorded at the exchange amount established and agreed to between the related parties.

(b) A portion of the loan payable in the amount of $1,591,350 was from the related parties. The interest rate earned on the money paid out was 8%, which was based on a T-bill rate of 4.18% plus a risk premium. The amortization of premium on loan payable in connection with the related parties in the amount of $3,147 was included in the additional paid-in capital.

(c) Upon settlement of the loan payable, CAB was issued 1,166,800 common shares at $0.50 per common share, and 1,166,800 common shares purchase warrants to purchase 1,166,800 common shares at an exercise price of $0.60.

(d)

On March 20, 2007, the Company made a demand loan agreement in the amount of $50,000 with CAB.

(e) On April 26, 2007, the Company granted 600,000 Discretionary Options to the president and the vice president of the Company with an exercise price of $1.3.

7.

Stock Options

During the period ended April 30, 2007, the Company granted 700,000 stock options to directors and consultant of the Company with exercise prices of $1.30 per share, vested immediately and expires over 4 years. For the period ended April 30, 2007, the Company recorded a total of $257,000 for stock based compensation expenses.

A summary of the changes in stock options for the period ended April 30, 2007 is presented below:

	Options Outstanding	
	Number of Shares	Weighted Average Exercise Price
Balance, October 31, 2006	-	$ -
Granted	700,000	1.30
Balance, April 30, 2007	700,000	$ 1.30

The fair value of each option granted has been estimated as of the date of the grant using the Black-Scholes option pricing model with the following assumptions:

	Period ended April 30, 2007
Expected volatility	73.59%
Risk-free interest rate	3.77%
Expected life	4 years
Dividend yield	0.0%

A summary of weighted average fair value of stock options granted during the period ended April 30, 2007 is as follows:

Period ended April 30, 2007	Weighted Average Exercise Price	Weighted Average Fair Value
Exercise price is greater than market price at grant date:	$ 1.30	$ 0.37

The Company has the following options outstanding and exercisable.

April 30, 2007	Options outstanding and exercisable		
Range of exercise prices	Number of shares	Weighted average remaining contractual life	Weighted average exercise price

$1.00 - $1.50	700,000	3.99 years	$ 1.30

8.

Reclassification

Certain comparative accumulative figures have been reclassified to conform the financial statements presentation for April 30, 2007.

9.

Subsequent event

Subsequent to April 30, 2007**,** the Company received a private placement in the amount of $175,000 for subscriptions of 350,000 common shares at $0.50 per share.

ITEM 2. Management's Discussion and Analysis or Plan of Operations.

Some discussions in this report include a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words like: believe, expect, estimate, anticipate, intend, project and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements, which apply only as of the date of this report. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions.

Forward-Looking Statements

Historical results and trends should not be taken as indicative of future operations. Management's statements contained in this report that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934 (the "Exchange Act"), as amended. Actual results may differ materially from those included in the forward-looking statements. The Company intends such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project," "prospects," or similar expressions. 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 on a basis 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. Further information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included herein and in the Company's other filings with the SEC.

Management's Discussion and Analysis

The following discussion should be read in conjunction with our audited financial statements and the related notes that appear elsewhere in this document. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements.

Our audited financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

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 from our business operations in Mississippi. 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 oil and gas property in Mississippi USA. Our detailed business plan is discussed herein.

Our business plan does not anticipate that we will hire a large number of employees or that we will require extensive office space. We plan to acquire most of the industry and geological expertise we require through contractual relationships through third party contractual relationships with other companies, which will act as operators of our various interests. Although this exposes us to certain risks on behalf of those operators, it also allows us to participate in the often unique experience and knowledge that local persons have related to certain properties. We plan to continue our current business of acquiring interests in potentially high-impact oil and gas property interests that offer a high probability of being able to drill without significant time delays. In our North American interests, we also try to choose properties where, if drilling is successful, the wells could be quickly connected to infrastructure and thus, with success, brought into production as quickly as possible to generate cash flow as quickly as possible.

Results of Operations for the Three Months Ended April 30, 2007

For the three-month period ended April 30, 2007, the Company had $39,614 in revenues from oil and gas producing properties. There were no revenues for the quarter ended April 30, 2006.

For the three-month period ended April 30, 2007 we incurred costs and expenses in the amount of $412,262, compared to costs and expenses of $29,861 for the same three-month period in the prior year.

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

- Natural gas operating costs for the three-month period ending April 30, 2007, amounted to $10,527, while the depletion for the period amounted to $74,502.

- Rent payment in connection with the acquisition of office space. In the three month period ended April 30, 2007, the Company incurred $2,449 (April 30, 2006: $1,500).

- Accounting and audit fees for the three month period ended April 30, 2007 increased to $15,868, (April 31, 2006: $3,202); the increase was attributable to the fees incurred for the audit of the Company s financial statements and accounting fees for the preparation of the Company s financial statements.

- Fees paid to a consultants. In the three month period ended April 30, 2007, the Company incurred $272,000 (April 30, 2006: $4,500). This included a stock compensation cost of $257,000. The consulting fee of $15,000 was paid to the President/CEO and the vice president of the Company.

- Travel costs increased to $7,017 for the three month period ending April 30, 2007 (April 2007: $3,198). The increase was caused by CEO in connection with fund raising efforts.

The Net Loss for the three-months ending April 30, 2007 was $(371,247), (April 30, 2006: $(29,861)). The increase in losses was caused by an increase in the cost of revenue relating to the producing wells, increase in stock compensation charges and increases in the overhead of the Company as it transitions to a viable operating entity.

We are satisfied with our financial results, including our ability to raise private capital that has allowed us to fund the 2006 drilling program, the early 2007 drilling program, and remain in good standing on our Mississippi, Oklahoma and Alberta properties.

Alberta

During the period September 15, 2005 to October 31, 2005, we spent $218,738 as our share of the drilling and participation costs of the Alberta property. From November 1, 2005 to October 31, 2006, we spent $186,669 on the drilling, logging, initial completion efforts and participation costs of the Alberta property. From November 1, 2006 to April 30, 2007, we spent $0 on the costs of the Alberta property. Depending on the final results of this well, which has been completed but has not been sufficiently tested, and depending on the actions of our majority partners, we may have the opportunity to participate in the drilling of additional wells on this property in 2007 or beyond. Decisions related to the final completion of this well in Alberta are being made at this time. Our expenditures during the 2005 and 2006 field programs met the minimum expenditures required to retain in good standing our participation in the Alberta property.

Mississippi.

Subsequent to October 31, 2005, we prepaid the full $700,000 required to fully fund our drilling obligations for our 2006 Phase I program in Mississippi. No further funds are required on this program and revenues are being generated. All ten wells in this program have been drilled. Eight of the wells are considered to have successfully encountered producible hydrocarbons, while two of those ten wells did not. As of April 30, 2007, five of the eight wells were producing natural gas, although at production rates lower than optimum due to a lack of compression capacity in the pipeline. Additional pipeline compression capacity is being installed and those five wells should subsequently begin producing higher rates of gas. Two of the other wells should be in production soon as pipeline connections are made, and one small well will be evaluated as to how best to possibly obtain production from it.

On September 22, 2006 we purchased a 20% interest in two wells previously drilled by Griffin & Griffin in Palmetto Point for a total cost of $140,000. These two wells are currently being connected to the pipeline and should be producing natural gas in the near future.

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 have contracted to assume a 40% gross interest in this AMI, meaning we are 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 has a total cost of $4 million, of which Lexaria s pro rata share is $1.6 million. As of April 30, 2007 the Company has placed $1,600,000 in trust to completely fund its initial commitment.

As of January 31, 2007, the first well in the Phase II, stage one program 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. During the second quarter ended April 30, 2007, the third well was successfully completed and tested and is awaiting tie-in; and the fourth well was completed and is awaiting testing. Subsequent to April 30, 2007, two additional wells have been drilled, of which one was plugged and abandoned and one is awaiting tie-in, which we expect will complete or nearly complete this stage of drilling.

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 second quarter ended April 30, 2007, our second participatory well was drilled at Owl Creek, the Isbill #2-36 well, in which we also have a 7.5% interest.

Because of increased operational activity, our overhead, exploration and property costs rose for the period ending October 31, 2006. Exploration expenditures during 2006 were $101,178, We currently have sufficient funds to conduct our planned 2007 exploration program and to operate our company for the next 12 months.

We do not currently have sufficient funds to fund additional or accelerated corporate and exploration activities in the period during or beyond 12 months, but will endeavor to raise those funds if and as needed.

Purchase or Sale of Equipment

At this time we do not expect to purchase or sell any plant or significant equipment, other than that we are considering a 40% pro-rata purchase of a pipeline gathering system that could be beneficial in our Mississippi operations. No agreement of any kind towards such purchase currently exists.

Results of Operations: Alberta Property

Our company was formed on December 9, 2004. We acquired our oil and gas interest located in the Strachan Hills area of Alberta, Canada and commenced exploration on this property during 2005. By December 8, 2005 we had raised funds in the amount of $1,270,060 through private placements. During 2005 we commenced drilling operations on the Strachan property, which produced sufficiently encouraging results to justify the installation of well casing and testing. During 2006 we continued our exploration and development of our Strachan property, although we are a minority partner and are subject to the majority partner s intentions with regards to additional exploration, drilling or production at this property.

The well was originally planned to reach total drilling depth by early December 2005, but encountered an overstressed Wabamun formation before reaching total depth. Technical challenges in penetrating this zone were eventually successful, but also delayed the well completion and led to higher than originally budgeted costs.

Sustained high gas pressures of up to 10,000 per square inch have been encountered in the drill hole thus the hole has been cased and is now undergoing testing. It has been determined by the technical team that a testing program is needed which involves specialized high-penetration, low-diameter guns from the USA to determine the potential of any reserves. The operator, Rosetta Exploration, was purchased by a third party in 2006 and a decision will be made soon on whether they will continue to participate. Odin Capital, Inc., the Farm Out partner for Lexaria, has taken formal steps to take over the completion of the well under the provisions of the agreement. Lexaria will decide whether or how to participate in the completion of the well based upon the best information available at that time.

Results of Operations: Mississippi Property

We had no operations at our Mississippi property in 2005. In January 2006 we completed our Phase I interest acquisition. Griffin & Griffin Exploration L.L.C., our drilling program partner and operator, undertook the 2006 drilling program of ten (10) wells on the Palmetto Point property in Mississippi. Drilling of all ten wells took place between March and December, 2006. In total, $3,500,000 was raised by the Palmetto Point participants, including the $700,000 contribution for our 20% gross interest. The Palmetto Point Phase I, ten-well drilling program has been completed and our 20% interest fully paid for. As of December 31, 2006, two wells had been abandoned; one well produced some natural gas but is currently not in production; four wells are producing natural gas; and two wells are expected to begin production of natural gas early in 2007. The tenth well is expected to produce crude oil and testing should commence in early 2007. Additionally, three of the natural gas wells also indicated the presence of crude oil and could, after natural gas production is eventually exhausted, potentially produce oil at a later date. Because of the early success of this drill program, Lexaria entered an additional agreement for up to an additional 50 wells, in which it increased its gross interest to 40%. The first well in this expanded program was successfully drilled and completed and is in 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 amounting to $162,420. Subsequent to January 31, 2007, the third well was successfully completed and tested and is awaiting tie-in; and the fourth well was completed and is awaiting testing. Subsequent to April 30, 2007, two additional wells have been drilled, of which one was plugged and abandoned and one is awaiting tie-in, which we expect will complete or nearly complete this stage of drilling. The revenue received from these Phase 1 and Phase II wells for the three month ended April 30, 2007 was $39,614 (April 30, 2006 $0).

During the 2006 field program, drilling and development expenditures consisted of $840,000. Our obligation to pay property payments for all of 2005 was $nil. Operational overhead for the three-month period ended April 30, 2007, was $10,527. If we successfully find and produce oil and gas, our overhead in Mississippi will be substantially higher, but it is not possible to determine to what extent it could be higher, until such time as our exploration drilling program is complete. If we are successful in our oil and gas exploration program, and if we discover and begin producing commercial quantities of oil or gas, then the cash flow generated from the sale of such oil or gas may or may not be sufficient to pay the undetermined higher overhead costs. We currently have sufficient funds to make scheduled property payments, and operate our company for the next 12 months.

The following table summarizes the results of the wells drilled in Phase I of the project;

Phase I Palmetto Point 20% gross interest

Well Name	Spud/Start	Complete	Results	Depth	Status
PP F-40	May 11/06	May 16/06	Frio Gas; 12 ft.	3850	Producing
PP F-118	May 18/06	May 22/06	Frio Gas; 14 ft.	3808	Producing
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	Producing
PP F-4	Oct 31/06	Nov. 5/06	Frio Gas; 8 ft.	4200	Connection pending
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	Connection pending
			Frio Oil, 26 ft.		
PP F-6B		July 27/06	Frio Gas		Connection pending
PP F-52A		July 27/06	Frio Gas		Connection pending

The following table summarizes the wells drilled on Phase II of the project;

Phase II 40% 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	Completed, awaiting testing
RB F-1	May 08/07	May 13/07	Frio Gas 10 ft	3,180	Completed, awaiting testing
Red Bug #2					
BR F-33	May 20/07	May 24/07	Frio Gas 12 ft	3,837	Completed, awaiting testing
Randall #1	May 27/07	June 03/07	Frio Target: Dry	5,100	Plug & abandon
Closure F-4					

Assets

As of April 30, 2007, we had current assets of $46,529 and total assets of $2,439,427. We had total assets of $2,719,243 as of October 31, 2006. The decrease in total assets was caused by costs associated with depletion expense and write down in carrying value of oil and gas properties which were associated with the abandonment of the Wilcox and Randell #1 wells; and increases in the overhead of the Company as it transitions to an operating entity. The reduction in cash was due to an increase in costs and expenses plus additions to oil and gas properties.

Liquidity and Capital Resources

As of April 30, 2007, we had total current assets of $46,529 (October 31, 2006: $1,298,757) total current liabilities as of April 30, 2007 were $99,070 (October 31, 2006: $2,014,688). As a result, on April 30, 2007 we had negative working capital of $(52,541) (October 31, 2006: $(715,931)). The increase in working capital was caused by the settlement of the loan payable into equity and the increase in revenue received from the Company s properties. This 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 April 30, 2007.

In the current stage of development of the Company, the revenue generated will not be sufficient to sustain its ongoing expenses. 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, 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.

We cannot know if any of the current projects we are participating in will be successful, or to what degree they might be successful. The degree of success or failure in these projects will partly determine our need for capital in the future. If these projects are very successful and discover and produce commercially profitable quantities of oil or gas, then they may generate cash flow to help pay for future exploration activities. If the projects are successful, with our majority partners we may decide to conduct even larger future drilling programs, which would require significant additional cash contributions. If these projects are failures, then the funds we have spent to date will have produced no commercial benefit, and we will require additional funds to proceed with the advancement of our company on other as yet undefined projects.

If we do not drill additional wells other than as already herein noted, we have sufficient cash to operate throughout 2007. If we wish to increase shareholder value through accelerated business activity, then we will likely have to raise additional cash through the sale of equity or the acquisition of debt. By April 30, 2007, the Company has raised $3,320,060. We plan to endeavor to raise additional capital in 2007.

Oil and Gas Properties

We follow the full cost method of accounting for its oil and gas operations. Under this method, all cost incurred in the acquisition, exploration and development of oil and gas properties are capitalized in one cost center, including certain internal costs directly associated with such activities. Proceeds from sales of oil and gas properties are credited to the cost center with no gain or loss recognized unless such adjustments would significantly alter the relationship between capitalized costs and proved oil and gas reverses.

If capitalized costs, less related accumulated amortization and deferred income taxes, exceed the full cost ceiling , the excess is expensed in the period such excess occurs. The full cost ceiling includes an estimated discounted value of future net revenues attributable to proved reserves using current product prices and operating cost, and an estimate of the value of unproved properties within the cost center.

Costs of oil and gas properties are amortized using the unit-of-production method upon the commencement of production. The significant unevaluated properties are excluded from costs subject to depletion.

Revenue Recognition

The Company uses the sales method of accounting for natural gas and oil revenues. Under this method, revenues are recognized upon the passage of title, net of royalties. Revenues from natural gas production are recorded using the sales method. When sales volumes exceed the Company s entitled share, an overproduced imbalance occurs. To the extent the overproduced imbalance exceeds the Company s share of the remaining estimated proved natural gas reserves for a given property, the Company records a liability. At April 30, 2007, the Company had no overproduced imbalances.

Long-lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the Statement of Financial Accounting Standards No. 144 (SFAS 144), Accounting for the Impairment or Disposal of Long-Lived Assets. An impairment loss would be recognized when the carrying amount of an asset exceeds the estimated undiscounted future cash flows expected to result from the use of the asset and its eventual disposition. The amount of the impairment loss to be recorded is calculated by the excess of the asset s carrying value over its fair value. Fair value is generally determined using a discounted cash flow analysis.

Going Concern

Our annual financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of operations. The financial statements have been prepared assuming we will continue as a going concern. However, certain conditions exist which raise doubt about our ability to continue as a going concern. We have suffered recurring losses from operations and have accumulated losses of $1,208,324 from inception through April 30, 2007.

ITEM 3. Controls and Procedures

Based on their most recent evaluation, which was completed within 90 days of filing of this Form 10-QSB, the Company's Chief Executive Officer, Chief Financial Officer and Vice-President of Corporate Development believe the Company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-14 and 15d-14) are effective. There were not any significant changes in the Company's internal controls or no other facts that could significantly affect these controls subsequent to the date of this evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses. The Company is presently unable to provide segregation of duties within the Company as a means of internal control. As a result, the Company is presently relying on overriding management reviews, and assistance from its board of directors in providing short-term review procedures until such time as additional funding is provided to hire additional executives to segregate duties within the Company.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are not a party to any pending legal proceeding as at April 30, 2007. 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 April 30 2007.

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: June 14, 2007

LEXARIA CORP.

BY:

/s/ Christopher Bunka

Christopher Bunka
President and Director
(who also performs the function of Chief Executive Officer, Principal Financial Officer and Principal Accounting Officer)

BY:

/s/ Leonard MacMillan

Leonard MacMillan
Vice-President Corporate Development and Director
(who also performs the function of)

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

I, Christopher Bunka, certify that:

1.

I have reviewed this quarterly report on Form 10-QSB of Lexaria Corp.

2.

Based on my knowledge, this quarterly 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 quarterly report, fairly present in all material respect the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.

4.

I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a)

designed such disclosure controls and procedures to ensure that material information relating to the registrant, is made known to us by others particularly during the period in which this quarterly report is being prepared;

b)

evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c)

presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5.

The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a)

all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and b)

any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6.

The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

(Signature)	*/s/ Christopher Bunka*
(Title)	
	Christopher Bunka
	President and Director
(Date)	(who also performs the function of principal Chief Executive Officer, Principal
	Financial Officer and Principal Accounting Officer)
	June 14, 2007

I, Leonard MacMillan, certify that:

1.

I have reviewed this quarterly report on Form 10-QSB of Lexaria Corp.

2.

Based on my knowledge, this quarterly 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 quarterly report, fairly present in all material respect the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report.

4.

I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a)

designed such disclosure controls and procedures to ensure that material information relating to the registrant, is made known to us by others particularly during the period in which this quarterly report is being prepared;

b)

evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c)

presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5.

The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a)

all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b)

any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6.

The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

(Signature)	*_______/s/ Leonard MacMillan________*
(Title)	
	Leonard MacMillan
(Date)	Vice-President Corporate Development and Director
	June 14, 2007

Section 1350 Certifications

CERTIFICATE OF CHIEF EXECUTIVE OFFICER & 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, Christopher Bunka, a Director and President, who also performs the function of Chief Executive Officer, Principal Financial Officer and Principal Accounting Officer of Lexaria Corp., certify that the Quarterly Report on Form 10-QSB (the "Report") for the quarter ended April 30, 2007, 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.

By: *<u>/s/ Christopher Bunka</u>*

Christopher Bunka
President and a member of the Board of Directors (who also performs the function of Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)

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.