

Item 1.01 Entry into a Material Definitive Agreement

On August 12, 2011, the Company entered into an Asset Purchase Agreement to acquire additional interests in its existing core producing Mississippi oil and gas properties.

The Company has agreed to pay a total of US \$400,000 as follows;

- (i) \$200,000 on the August 12, 2011 (the "Initial Payment"), and
- (ii) \$200,000 on or before November 12, 2011; or interim payments, as agreed, in the amount of \$10,000 per month for up to 3 months following November 12, 2011 with the remaining balance to \$200,000 then due and payable (the "Final Payment"), and, should the Lexaria not make the final payment on November 12, 2011 a penalty of \$500 per day (the Penalty Payments) beginning one day after November 12, 2011 and accruing until the balance of the \$200,000 Final Payment is made to the Vendor. Both the Vendor and the Purchaser agree that, should any Penalty Payments be due, such Penalty Payments are not deductible from the balance of the \$200,000 Final Payment.
- (iii) 800,000 shares of restricted common stock issued from Lexaria treasury within 10 days of the Effective Closing Date.

to acquire an additional 10% working interest (WI) in the proven Belmont Lake oil and gas field, bringing its total interests to 42% WI in Belmont Lake, and retains its existing 60% WI in the exploration wells on approx 130,000 acres surrounding Belmont Lake in all directions.

Item 7.01 Regulation FD Disclosure.

A copy of the news release announcing exercise of the stock options is filed as exhibit 99.1 to this current report and is hereby incorporated by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

Exhibit No.	Description
<u>10.1</u>	<u>Asset Purchase Agreement</u>
<u>99.1</u>	<u>Press Release announcing Purchase Agreement</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 12, 2011

Lexaria Corp.

(Signature) By: /s/ Chris Bunka

Chris Bunka

President & CEO
