

January 10, 2011

Trading Symbol: LXX: CNSX

Lexaria Updates Operations and Affiliate Stock Purchases

(Kelowna, BC: January 10, 2011) - Lexaria Corp. (the "Company" or "Lexaria") provides the following update on field operations, oil production, and more.

Lexaria and its partners are nearing the completion of a major field infrastructure upgrade. New dedicated oil production lines and gas-lift injection lines for both the 12-4 and 12-5 wells are 90% connected, according to the field operator. Once tested and finally connected, and once additional lines are installed and operating, Belmont Lake oil field will have four oil wells producing simultaneously for the first time.

This upgrade includes the installation of several additional 11,000-foot long pipelines from the well heads to the tank and production facility, and additional gas injection lines to run the all-weather oil lift system.

The new salt-water disposal well has been completed and is expected to be connected soon. The salt water disposal well will eliminate all or most of the current requirement to haul waste water by truck. This should maximize profitable production and allow the handling of greater volumes of water than is currently possible.

Lexaria is hopeful that 2011 could see the complete development of the Belmont Lake oil field which potentially would include the drilling of up to four more proved oil well locations, according to the latest third-party engineered reserve report. If so, this could lead to a significant increase in oil production from the field. As earlier reported, this is an expansion of the previously expected number of wells available to be drilled within this proven field.

Lexaria also acknowledges that one or more of its executive officers has purchased a number of common shares from the marketplace. Chris Bunka, CEO of Lexaria, said that, "It is correctly reported at many financial websites that I have purchased, directly and indirectly, more than 1,200,000 Lexaria shares on the OTCBB and CNSX marketplaces since July 2009. It is also accurate that I have purchased, directly and indirectly, more than another 1,800,000 Lexaria shares directly from the Company during that same time. I have bought Lexaria stock in nearly every calendar month since July 2009. I believe strongly in the future of this Company and I will continue to buy shares for as long as I believe that they are significantly undervalued. All my share purchases have been for investment purposes."

Lexaria currently holds a 40% gross working interest in the PP-F12-4 and PP-F12-5 directional wells, and a 32% interest in the PP-F12 and PP-F12-3 wells. It holds a minimum 32% interest with the potential for higher interests, in any additional development wells to be drilled at Belmont Lake.

About Lexaria:

To learn more about Lexaria Corp. visit www.lexariaenergy.com.

ON BEHALF OF THE BOARD

"Chris Bunka"

Mr. Chris Bunka, President

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FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements which are not historical facts are forward-looking statements. The Company makes forward-looking public statements concerning its expected future financial position, results of operations, cash flows, financing plans, business strategy, products and services, competitive positions, growth opportunities, plans and objectives of management for future operations, including statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will," and other similar expressions are forward-looking statements. Such forward-looking statements are estimates reflecting the Company's best judgment based upon current information and involve a number of risks and uncertainties, and there can be no assurance that other factors will not affect the accuracy of such forward-looking statements. It is impossible to identify all such factors but they include and are not limited to the existence of underground deposits of commercial quantities of oil and gas; cessation or delays in exploration because of mechanical, weather, operating, financial or other problems; capital expenditures that are higher than anticipated; or exploration opportunities being fewer than currently anticipated. There can be no assurance that road or site conditions will be favourable for field work; no assurance that well treatments will have any effect on oil or gas production; no assurance that oil field interconnections will have any measurable impact on oil or gas production or on field operations, and no assurance that the expected new well(s) will be drilled or have any impact on the Company. There can be no assurance that expected oil and gas production will actually materialize; and thus no assurance that expected revenue will actually occur. There is no assurance the Company will have sufficient funds to drill additional wells, or to complete acquisitions or other business transactions. Such forward looking statements also include estimated cash flows, revenue and current and/or future rates of production of oil and natural gas, which can and will fluctuate for a variety of reasons; oil and gas reserve quantities produced by third parties; and intentions to participate in future exploration drilling. Adverse weather conditions can delay operations, impact production, and cause reductions in revenue. The Company may not have sufficient expertise to thoroughly exploit its oil and gas properties. The Company may not have sufficient funding to thoroughly explore, drill or develop its properties. Access to capital, or lack thereof, is a major risk. Current oil and gas production rates may not be sustainable and targeted production rates may not occur. Factors which could cause actual results to differ materially from those estimated by the Company include, but are not limited to, government regulation, managing and maintaining growth, the effect of adverse publicity, litigation, competition and other factors which may be identified from time to time in the Company's public announcements and filings.

The CNSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.