

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): August 16, 2010		
LEXARIA CORP. (Exact name of registrant as specified in its charter)		
Nevada (State or other jurisdiction of incorporation)	000-52138 (Commission File Number)	20-2000871 (IRS Employer Identification No.)
#950 – 1130 West Pender Street, Vancouver, British Columbia, Canada V6E 4A4		
Registrant's telephone number, including area code: (604) 602-1675		
(Former name or former address, if changed since last report.)		

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01 Entry into a Material Definitive Agreement**Item 3.02 Unregistered Sales of Equity Securities**

On January 20, 2010, the Company had adopted a Stock Option Plan. Based on this 2010 Stock Option Plan, on August 16, 2010, the Company has granted 150,000 stock options to a consultant of the Company. The exercise price of the stock options is \$0.20, of which 75,000 stock options are vested immediately and 75,000 stock options vest on August 16, 2011 and expires August 16, 2015.

Item 7.01 Regulation FD Disclosure.

On August 16, 2010, the Company announced that, after a longer than usual seasonal delay due to abnormally high water levels in the Mississippi River system, field operations have re-commenced at and near the Belmont Lake Oil Field. As a result, there are a number of initiatives now underway or soon to begin.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

Exhibit No.	Description
10.1	2010 Stock Option Agreement dated August 16, 2010
10.2	News Release dated August 16, 2010

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 17, 2010

Lexaria Corp.

(Signature) By: “/s/ Chris Bunka”

Chris Bunka
President & CEO

STOCK OPTION AGREEMENT

LEXARIA CORP.

THIS AGREEMENT is entered into as of the 16th day of August, 2010 (the "Date of Grant")

BETWEEN:

LEXARIA CORP., a company incorporated pursuant to the laws
of the State of Nevada, of Suite 950 1130 West Pender,
Vancouver, BC V6E 4A4

(the "Company")

AND:

Tom Ihrke, of 8395 Briar Creek Drive
Germantown, TN 38139

(the "Optionee")

WHEREAS:

A.

The Board of Directors of the Company (the “Board”) has approved and adopted the 2010 Stock Option Plan (the “Plan”), pursuant to which the Board is authorized to grant to employees and other selected persons stock options to purchase common shares of the Company (the “Common Stock”);

B.

The Plan provides for the granting of stock options that either (i) are intended to qualify as “Incentive Stock Options” within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”), or (ii) do not qualify under Section 422 of the Code (“Non-Qualified Stock Options”); and

C.

The Board has authorized the grant to the Optionee of options to purchase a total of **150,000** shares of Common Stock (the "Options"), which Options are intended to be (select one):

- Incentive Stock Options;
- Non Qualified Stock Options

NOW THEREFORE, the Company agrees to offer to the Optionee the option to purchase, upon the terms and conditions set forth herein and in the Plan, **150,000** shares of Common Stock. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan.

1. Exercise Price. The exercise price of the options shall be US **\$0.20** per share.

2.

Limitation on the Number of Shares. If the Options granted hereby are Incentive Stock Options, the number of shares which may be acquired upon exercise thereof is subject to the limitations set forth in Section 5.1 of the Plan.

3.

Vesting Schedule. The Options shall vest in accordance with Exhibit A.

4.

Options not Transferable. The Options may not be transferred, assigned, pledged or

hypothecated in any manner (whether by operation of law or otherwise) other than by will, by applicable laws of descent and distribution or, in the case of a Non-Qualified Stock Option, pursuant to a qualified domestic relations order, and shall not be subject to execution, attachment or similar process; *provided, however*, that if the Options represent a Non-Qualified Stock Option, such Option is transferable without payment of consideration to immediate family members of the Optionee or to trusts or partnerships established exclusively for the benefit of the Optionee and Optionee's immediate family members. Upon any attempt to transfer, pledge, hypothecate or otherwise dispose of any Option or of any right or privilege conferred by the Plan contrary to the provisions thereof, or upon the sale, levy or attachment or similar process upon the rights and privileges conferred by the Plan, such Option shall thereupon terminate and become null and void.

5.

Investment Intent. By accepting the Options, the Optionee represents and agrees that none of the shares of Common Stock purchased upon exercise of the Options will be distributed in violation of applicable federal and state laws and regulations. In addition, the Company may require, as a condition of exercising the Options, that the Optionee execute an undertaking, in such a form as the Company shall reasonably specify, that the Stock is being purchased only for investment and without any then-present intention to sell or distribute such shares.

6.

Termination of Employment and Options. Vested Options shall terminate, to the extent not previously exercised, upon the occurrence of the first of the following events:

(a)

Expiration. Five (5) years from the Date of Grant.

(b) Termination for Cause. The date of the first discovery by the Company of any reason for the termination of an Optionee's employment or contractual relationship with the Company or any related company for cause (as determined in the sole discretion of the Plan Administrator), and, if an Optionee's employment is suspended pending any investigation by the Company as to whether the Optionee's employment should be terminated for cause, the Optionee's rights under this Agreement and the Plan shall likewise be suspended during the period of any such investigation.

(c) Termination Due to Death or Disability. The expiration of one (1) year from the date of the death of the Optionee or cessation of an Optionee's employment or contractual relationship by reason of disability (as defined in Section 5.1(g) of the Plan). If an Optionee's employment or contractual relationship is terminated by death, any Option held by the Optionee shall be exercisable only by the person or persons to whom such Optionee's rights under such Option shall pass by the Optionee's will or by the laws of descent and distribution.

(d) Termination for Any Other Reason. The expiration of ninety (90) days from the date of an Optionee's termination of employment or contractual relationship with the Company or any Related Corporation for any reason whatsoever other than termination of service as a director, cause, death or Disability (as defined in Section 5.1(g) of the Plan). Each unvested Option granted pursuant hereto shall terminate immediately upon termination of the Optionee's employment or contractual relationship with the Company for any reason whatsoever, including Disability unless vesting is accelerated in accordance with Section 5.1(f) of the Plan.

7.

Stock. In the case of any stock split, stock dividend or like change in the nature of shares of Stock covered by this Agreement, the number of shares and exercise price shall be proportionately adjusted as set forth in Section 5.1(m) of the Plan.

8.

Exercise of Option. Options shall be exercisable, in full or in part, at any time after vesting, until termination; *provided, however,* that any Optionee who is subject to the reporting and liability provisions of Section 16 of the *Securities Exchange Act* of 1934 with respect to the Common Stock shall be precluded from selling or transferring any Common Stock or other security underlying an Option during the six (6) months immediately following the grant of that Option. If less than all of the shares included in the vested portion of any Option are purchased, the remainder may be purchased at any subsequent time prior to the expiration of the Option term. No portion of any Option for less than fifty (50) shares (as adjusted pursuant to Section 5.1(m) of the Plan) may be exercised; provided, that if the vested portion of any Option is less than fifty (50) shares, it may be exercised with respect to all shares for which it is vested. Only whole shares may be issued pursuant to an Option, and to the extent that an Option covers less than one (1) share, it is unexercisable. Each exercise of the Option shall be by means of delivery of a notice of election to exercise (which may be in the form attached hereto as Exhibit B) to the President of the Company at its principal executive office, specifying the number of shares of Common Stock to be purchased and accompanied by payment in cash by certified check or cashier's check in the amount of the full exercise price for the Common Stock to be purchased. In addition to payment in cash by certified check or cashier's check, an Optionee or transferee of an Option may pay for all or any portion of the aggregate exercise price by complying with one or more of the following alternatives:

(a) by delivering to the Company shares of Common Stock previously held by such person, duly endorsed for transfer to the Company, or by the Company withholding shares of Common Stock otherwise deliverable pursuant to exercise of the Option, which shares of Common Stock received or withheld shall have a fair market value at the date of exercise (as determined by the Plan Administrator) equal to the aggregate purchase price to be paid by the Optionee upon such exercise; or

(b) by complying with any other payment mechanism approved by the Plan Administrator at the time of exercise. It is a condition precedent to the issuance of shares of Common Stock that the Optionee execute and/or deliver to the Company all documents and withholding taxes required in accordance with Section 5.1 of the Plan.

9.

Holding period for Incentive Stock Options. In order to obtain the tax treatment provided for Incentive Stock Options by Section 422 of the Code, the shares of Common Stock received upon exercising any Incentive Stock Options received pursuant to this Agreement must be sold, if at all, after a date which is later of two (2) years from the date of this agreement is entered into or one (1) year from the date upon which the Options are exercised. The Optionee agrees to report sales of shares prior to the above determined date to the Company within one (1) business day after such sale is concluded. The Optionee also agrees to pay to the Company, within five (5) business days after such sale is concluded, the amount necessary for the Company to satisfy its withholding requirement required by the Code in the manner specified in Section 5.1(l) of the Plan. Nothing in this Section 9 is intended as a representation that Common Stock may be sold without registration under state and federal securities laws or an exemption therefrom or that such registration or exemption will be available at any specified time.

Resale restrictions may apply. Any resale of the shares of Common Stock received upon exercising any Options will be subject to resale restrictions contained in the securities legislation applicable to the Optionee. The Optionee acknowledges and agrees that the Optionee is solely responsible (and the Company is not in any way responsible) for compliance with applicable resale restrictions.

11.

Subject to 2010 Stock Option Plan. The terms of the Options are subject to the provisions of the Plan, as the same may from time to time be amended, and any inconsistencies between this Agreement and the Plan, as the same may be from time to time amended, shall be governed by the provisions of the Plan, a copy of which has been delivered to the Optionee, and which is available for inspection at the principal offices of the Company.

Professional Advice. The acceptance of the Options and the sale of Common Stock issued pursuant to the exercise of Options may have consequences under federal and state tax and securities laws which may vary depending upon the individual circumstances of the Optionee. Accordingly, the Optionee acknowledges that he or she has been advised to consult his or her personal legal and tax advisor in connection with this Agreement and his or her dealings with respect to Options.

Without limiting other matters to be considered with the assistance of the Optionee's professional advisors, the Optionee should consider: (a) whether upon the exercise of Options, the Optionee will file an election with the Internal Revenue Service pursuant to Section 83(b) of the Code and the implications of alternative minimum tax pursuant to the Code; (b) the merits and risks of an investment in the underlying shares of Common Stock; and (c) any resale restrictions that might apply under applicable securities laws.

No Employment Relationship. Whether or not any Options are to be granted under this Plan shall be exclusively within the discretion of the Plan Administrator, and nothing contained in this Plan shall be construed as giving any person any right to participate under this Plan. The grant of an Option shall in no way constitute any form of agreement or understanding binding on the Company or any Related Company, express or implied, that the Company or any Related Company will employ or contract with an Optionee, for any length of time, nor shall it interfere

in any way with the Company's or, where applicable, a Related Company's right to terminate Optionee's employment at any time, which right is hereby reserved.

Entire Agreement. This Agreement is the only agreement between the Optionee and the Company with respect to the Options, and this Agreement and the Plan supersede all prior and contemporaneous oral and written statements and representations and contain the entire agreement between the parties with respect to the Options.

Notices. Any notice required or permitted to be made or given hereunder shall be mailed or delivered personally to the addresses set forth below, or as changed from time to time by written notice to the other:

The Company:

Lexaria Corp.
Suite 950 1130 West Pender Street
Vancouver, BC V6E 4A4
Attention: President

With a copy to:

Clark Wilson LLP
800-885 West Georgia Street
Vancouver, British Columbia V6C 3H1
Attention: Conrad Nest

The Optionee:

LEXARIA CORP.

Per:

Authorized Signatory

[Tom Ihrke]



EXHIBIT A

TERMS OF THE OPTION

Name of the Optionee:	Tom Ihrke
Date of Grant:	August 16, 2010
Designation:	Qualified Stock Options
1. Number of Options granted:	150,000 stock options
2. Purchase Price:	\$0.20 per share
3. Vesting Date:	75,000 options on August 16, 2010; 75,000 options on August 16, 2011;
4. Expiration Date:	August 16, 2015

EXHIBIT B

To:

Lexaria Corp.
Suite 950 1130 West Pender
Vancouver, BC V6E 4A4
Attention: President

Notice of Election to Exercise

This Notice of Election to Exercise shall constitute proper notice pursuant to Section 5.1(h) of Lexaria Corp.'s (the "Company") 2010 Stock Option Plan (the "Plan") and Section 8 of that certain Stock Option Agreement (the "Agreement") dated as of the _____ day of _____, 20____, between the Company and the undersigned.

The undersigned hereby elects to exercise Optionee's option to purchase _____ shares of the common stock of the Company at a price of US\$0.20 per share, for aggregate consideration of US\$_____, on the terms and conditions set forth in the Agreement and the Plan. Such aggregate consideration, in the form specified in Section 8 of the Agreement, accompanies this notice.

The Optionee hereby directs the Company to issue, register and deliver the certificates representing the shares as follows:

Registration Information:	Delivery Instructions:
_____	_____
Name to appear on certificates	Name
_____	_____
Address	Address
_____	_____
_____	_____
	Telephone Number

DATED at _____, the _____ day of _____, 20____.

(Name of Optionee – Please type or print)

(Signature and, if applicable, Office)

(Address of Optionee)

(City, State, and Zip Code of Optionee)

Field Operations Re-Commence

(Vancouver, BC: August 16, 2010) - Lexaria Corp. (the "Company" or "Lexaria") announces that, after a longer than usual seasonal delay due to abnormally high water levels in the Mississippi River system, field operations have re-commenced at and near the Belmont Lake Oil Field. As a result, there are a number of initiatives now underway or soon to begin.

Site and road work has commenced at Belmont Lake to prepare for heavy equipment access. This work will be completed shortly.

WELL TREATING AND INTERCONNECTIONS.

There are two existing oil wells at the Belmont Lake Oil Field: PP-F12 and PP-F12-3. The wells have not been chemically treated for an extended period of time due to the above noted inability to access the field. Both of these wells are scheduled for xylene and other well treatments to optimize oil production. As a result the Company expects an increase in oil production immediately following well treatments.

Lexaria expects these well treatments to have commenced within approximately one week.

Additionally, the Company and G&G have agreed to make certain oil field interconnections. These interconnections should allow operations staff to remotely shunt oil production from either well into differing production lines. More importantly it should allow for the chemical well treatments in the future to occur without the need for well-head access. This is important to Belmont Lake Oil Field operations because it will allow for remote-based well treatments to take place in the future even if the oil field is submerged below Mississippi River floodwaters. These interconnections should be commenced during the month of September.

It is the Company's objective to be able to not just produce oil under any and all field conditions, 12-months per year, but also to optimize that production.

TWO NEW WELLS TO BE DRILLED.

The Company is preparing for the drilling of two new oil wells at Belmont Lake. The first of these wells is expected to spud within approximately the next two weeks and the Company will provide additional information on these operations soon.

ENGAGEMENT OF ADVISOR.

The Company is very happy to announce the appointment of Mr. Thomas Ihrke as Senior Vice President – Business Development. Mr. Ihrke has been an advisor to the Company since May 2007 and has made valuable and significant contributions to the Company. The Company believes he will be of great benefit in his newly expanded role. Mr. Ihrke will receive a grant of 150,000 options exercisable at a price of \$0.20 in connection with his engagement.

About Lexaria:

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

ON BEHALF OF THE BOARD

"Chris Bunka"
Mr. Chris Bunka, President

FOR FURTHER INFORMATION PLEASE CONTACT:

Lexaria Corp.
Chris Bunka President/CEO/Chairman
(250) 717.0377

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 work will be completed on time; 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 two new wells 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.
