

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q/A

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 2010

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 333-68008

**NUVILEX, INC.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or organization)

**62-1772151**

(I.R.S. Employer Identification No.)

**7702 E. Doubletree Ranch Road, Suite 300, Scottsdale, AZ 85258**

(Address of principal executive offices)

**(480) 348-8050**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

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

As of January 11, 2011, the registrant had 348,387,581 outstanding shares of Common Stock.

#### EXPLANATORY NOTE

The Registrant is filing this Amendment No. 2 to our Quarterly Report on Form 10-Q/A for the quarter ended July 31, 2010, as filed with the U.S. Securities and Exchange Commission on April 26, 2011, to amend Item 4T. Controls and Procedures to clarify management's evaluation of and report on internal control over financial reporting. This Amendment No. 2 responds to comments of the Staff of the Securities and Exchange Commission in connection with its review of our Quarterly Report on Form 10-Q/A for the quarter ended July 31, 2010.

## Forward-Looking Statements

This report includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “1933 Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical fact are “forward-looking statements” for purposes of this Quarterly Report on Form 10-Q/A, including any projections of earnings, revenue or other financial items, any statements regarding the plans and objectives of management for future operations, any statements concerning proposed new products or services, any statements regarding future economic conditions or performance, any statements regarding expected benefits from any transactions and any statements of assumptions underlying any of the foregoing. In some cases, forward-looking statements can be identified by the use of terminology such as “may,” “will,” “expects,” “plans,” “anticipates,” “estimates,” “potential” or “continue,” or the negative thereof or other comparable terminology. Although we believe that the expectations reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations or any of the forward-looking statements will prove to be correct and actual results could differ materially from those projected or assumed in the forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to inherent risk and uncertainties, including, but not limited to, the risk factors set forth in “Part II, Item 1A – Risk Factors” below and for the reasons described elsewhere in this Quarterly Report on Form 10-Q/A. All forward looking statements and reasons why results may differ included in this report are made as of the date hereof and we do not intend to update any forward-looking statements except as required by law or applicable regulations. Except where the context otherwise requires, in this Quarterly Report on Form 10-Q/A, the “Company,” “Nuvilex,” “we,” “us” and “our” refer to Nuvilex, Inc., a Nevada corporation, and, where appropriate, its subsidiaries.

**PART 1 – FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

The unaudited financial statements included herein have been prepared by Nuvilex, Inc. (the “Company”). In the opinion of management, the interim financial statements reflect all adjustments of a normal recurring nature necessary for a fair statement of the results for interim periods. It is suggested that these financial statements and notes to the financial statements be read in conjunction with the financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended April 30, 2010.

**NUVILEX, INC.**  
**F/K/A EFOODSAFETY.COM, INC.**

**C O N T E N T S**

Consolidated Balance Sheets July 31, 2010 (Unaudited) and April 30, 2010	F-1
Consolidated Unaudited Statements of Operations for the Three Months Ended July 31, 2010 and 2009	F-2
Consolidated Unaudited Statements of Cash Flows for the Three Months Ended July 31, 2010 and 2009	F-3
Notes to consolidated Financial Statements	F-4

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**NUVILEX, INC.**  
**F/K/A EFOODSAFETY.COM, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	<b>July 31, 2010</b>	
	<b>Unaudited</b>	<b>April 30, 2010</b>
<b>ASSETS</b>		
Cash	\$ 547	\$ 716
Accounts receivable - net	4,348	10,435
Inventory	1,959	2,528
Total Current Assets	<u>6,854</u>	<u>13,679</u>
Property, plant and equipment - net	95,514	107,538
Assets held for sale	1,081,000	1,081,000
Total Assets	<u>\$ 1,183,368</u>	<u>\$ 1,202,217</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 726,150	\$ 674,817
Accrued interest	149,380	95,603
Due to shareholder	13,000	-
Current portion of long-term debt	2,380,243	2,282,942
Total Current Liabilities	<u>3,268,773</u>	<u>3,053,362</u>
<b>Long-term Liabilities</b>		
Long-term debt, net of current portion	-	100,000
Total Liabilities	<u>3,268,773</u>	<u>3,153,362</u>
<b>Commitments and Contingencies</b>		
Preferred stock, authorized 10,000,000 shares, \$0.0001 par value, 5,000 and 5,000 shares issued and outstanding respectively	500,000	500,000
<b>Stockholders' Deficit:</b>		
Common Stock, authorized 500,000,000 shares, \$0.0001 par value, 348,387,581 and 348,387,581 shares issued and outstanding respectively	34,839	34,839
Additional paid in capital	34,064,993	34,064,993
Accumulated deficit	<u>(36,685,237)</u>	<u>(36,550,977)</u>
Total Stockholders' Deficit	<u>(2,085,405)</u>	<u>(1,951,145)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 1,183,368</u>	<u>\$ 1,202,217</u>

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

**NUVILEX, INC.**  
**F/K/A EFOODSAFETY.COM, INC.**

**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

**For the Three Months Ended**  
**July 31,**

**(As restated)**

	<b>2010</b>	<b>2009</b>
Revenues	\$ 26,960	\$ 67,947
Cost of revenues	6,927	41,792
Gross profit	20,033	26,155
Expenses:		
Sales and marketing	7,000	147,645
Research and development	7,904	244,047
General and administrative	84,465	341,753
Total operating expenses	99,369	733,445
Net loss from operations	(79,336)	(707,290)
Other income (expense)		
Interest income	-	2
Dividend income	-	2
Loss on settlement of loan receivable	-	(55,000)
Interest expense	(54,924)	(69,027)
Other income (expense)	-	5,425
Total other income (expense)	(54,924)	(118,598)
Net loss	\$ (134,260)	\$ (825,888)
Loss per share		
Basic and diluted	\$ (0.00)	\$ (0.00)
Weighted average shares outstanding		
Basic and diluted	348,387,581	286,059,878

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



**NUVILEX, INC.**  
**F/K/A EFOODSAFETY.COM, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**NOTE 1 – BACKGROUND, ACQUISITION AND LIQUIDITY**

This summary of accounting policies for Nuvilex, Inc. and its subsidiaries is presented to assist in understanding the Company's consolidated financial statements. The accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the consolidated financial statements.

**Background**

The Company was founded as DJH International, Inc., a Nevada corporation, on October 28, 1996, and changed its name to eFoodSafety.com, Inc. following its October 16, 2000 acquisition of Global Procurement Systems, Inc. The Company acquired Ozone Safe Food, Inc. for Common Stock on October 29, 2003. The Company's early mission was to provide methods and products to ensure the safety of marketed fruits and vegetables worldwide. On February 4, 2004, the Company registered shares with the Securities and Exchange Commission and its Common Stock began publicly trading on the OTC Bulletin Board under the trading symbol EFSF. The Company did not issue shares of Common Stock pursuant to an initial public offering. With less than projected demand for its produce sterilization methods and software tracking products, the Company changed its strategy and acquired Knock-Out Technologies, Ltd. and MedElite, Inc. in May 2004 and August 2005, respectively. Knock-Out Technologies, Ltd. is a developer of products using organic, non-toxic food based substances. MedElite, Inc. is the exclusive U.S. distributor of Talsyn<sup>TM</sup>-CI Scar Cream ("Talsyn"), a topical scar reducing cream. The Company's new strategy was to bring to market scientifically derived products designed to improve the health and well-being of those who use them. The Company sold its Ozone Safe Food, Inc. operations in August 2005. In November 2006, the Company formed Cinnergen, Inc., a wholly-owned subsidiary, to manufacture and market a non-prescription liquid nutritional supplement designed to promote healthy glucose metabolism, and purEffect, Inc., another wholly-owned subsidiary, to manufacture and market purEffect<sup>TM</sup>, a four-step non-prescription acne treatment. On March 10, 2006, the Company licensed the marketing rights for purEffect<sup>TM</sup> to Charlston Kentrist 41 Direct, Inc. ("CK41"). In July 2007, the Company formed I-Boost, Inc., a wholly-owned subsidiary, to manufacture and market a food bar designed to improve the effectiveness of the human immune system. In March 2008, the Company formed Cinnechol, Inc., a wholly-owned subsidiary, to manufacture and market a non-prescription nutritional supplement designed to promote cardiovascular health. In February 2009, the Company sold its remaining rights in the purEffect<sup>TM</sup> product to CK41 for an equity position in CK41 and future royalty compensation. In March 2009, the Company acquired Freedom2 Holdings, Inc., the manufacturer and marketer of Infinitink®, a permanent tattoo ink designed to be removed more easily using conventional laser removal methods. On March 18, 2009, the Company changed its name to Nuvilex, Inc.

**Acquisition Purchase Price**

On March 2, 2009, The Company entered into a share exchange agreement with Freedom-2 Holdings, Inc. whereby the Company issued 48,205,000 shares of its common stock to acquire 100% of the outstanding shares of F2Holdings at \$0.047 per share for a total purchase price of \$2,265,634. Freedom-2 Holdings, Inc. and its wholly-owned subsidiary, Freedom-2, Inc. were formed on January 30, 2007. At the time of Freedom-2Holdings' formation, all of its outstanding common stock was owned by Freedom-2, LLC, a Delaware limited liability company. On January 31, 2007, all of the aforementioned entities entered into an agreement and plan of merger under which Freedom-2, LLC was merged with and into Freedom-2 Holdings, Inc. and, as of that date, Freedom-2, LLC ceased to exist and Freedom-2 Holdings, Inc. continued as the surviving corporation. The Company's share exchange agreement transaction with Freedom-2 Holdings, Inc. has been accounted for as a purchase. Under the purchase method of accounting, the assets and liabilities of acquiree are recorded as of the completion of the merger, at their respective fair values, and then consolidated with the values of the acquirer. As presented in the Company's April 30, 2009 restated financial statements, the assets and liabilities of Freedom-2 Holdings, Inc. and its wholly-owned subsidiary Freedom-2, Inc. were transferred at fair value. Generally accepted accounting principles require that under the purchase method of accounting assets and liabilities assumed in a business combination be recorded at their respective fair values. An independent appraisal of assets and liabilities was not undertaken at the time of the share exchange and thus assets and liabilities assumed were not recorded at fair value. In 2010 an independent third party appraisal was obtained resulting in the restatement of the April 30, 2009 financial statements. The result of the Company restatement of its share exchange is as follows.

	Original Accounting using Acquiree's Net Book Value	Restated Accounting using GAAP Fair Value
Common Stock issued for acquisition	\$ 2,265,634	\$ 2,265,634
<b>Assets and liabilities:</b>		
Cash	7,592	7,592
Accounts Receivable	3,301	3,301
Inventory	46,664	46,664
Prepaid costs	195,482	195,481
Building	2,388,296	2,278,779
Fixed assets	256,141	210,790
Intangible Assets	-	176,000
Accounts Payable	(365,413)	(365,413)
Mortgage Payable	(1,955,854)	(2,068,534)
Notes Payable	(420,000)	(361,592)
Security Deposit	(3,987)	(3,987)
	<u>152,222</u>	<u>119,081</u>
Goodwill	<u>\$ 2,113,412</u>	<u>\$ 2,146,553</u>

As of part of the Company's reexamination of its fiscal 2009 financial statements, a fair market assessment of the Company's goodwill asset for the year ended April 30, 2010 found that the goodwill and intangible asset did not provide any current or future value to the Company. Current market conditions have materially impacted the Company's ability to make market or sell its Infinitink® product line, the principle product acquired in the Company's acquisition of Freedom-2 Holdings, Inc. The Company believes that the goodwill, building and the intangible assets acquired in this transaction are impaired. Accordingly, the Company has recorded a \$2,309,842 charge to impairment loss recognized for acquired and intangible assets in its April 30, 2010 Statement of Operations.

#### **NOTE 2 - Going Concern and Management's Plans**

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America ("GAAP") applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. In addition, as of July 31, 2010, the Company has an accumulated deficit of \$36,685,237, has incurred a net loss for the three months ended July 31, 2010 of \$134,260 and has a working capital deficit of \$3,261,919. The Company's current business plan requires additional funding beyond its anticipated cash flows from operations. These and other factors raise substantial doubt about the Company's ability to continue as a going concern.

With an overall goal of long-term growth, the Company has been working to stabilize its financial condition. The Company's financial stability efforts include three primary components:

1. The reduction of the Company' cash burn rate to breakeven or better,
2. The sale or lease of its Cherry Hill, New Jersey property,
3. The establishment of a workout plan with the Company's lenders and creditors that will resolve, over time, the amounts owed without actions or litigation that would disrupt the Company's ability to operate, and

4. The pursuit of a product sales and growth strategy that will augment the Company's cash position and that will ultimately lead to profitability.

Management believes that its multi-part strategy will strengthen the Company's position and both the short and long term viability of the Company.

### **NOTE 3 – Significant Accounting Policies**

#### **Unaudited Financial Statements**

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"), for interim financial information and pursuant to the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended July 31, 2010 are not necessarily indicative of the results that may be expected for the year ending April 30, 2011. The balance sheet at April 30, 2010, has been derived from the audited financial statements at that date but does not include all of the information and disclosures required by GAAP for complete financial statements. For further information, refer to the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended April 30, 2010.

#### **Principles of Consolidation**

The consolidated financial statements include the accounts of Nuvilex, Inc. and its subsidiaries, Knock-Out Technologies, Ltd. MedElite, Inc. Cinnergen, Inc., I-Boost, Inc., Cinnechol Inc., Freedom-2 Holdings, Inc, Freedom-2, Inc. and Exceptional Equipment and Ink Supply Company, Inc. With respect to the latter three subsidiaries the financials include the profit and loss activity from the date of purchase March 2, 2009 to July 31, 2010 as the acquisition was accounted for under the purchase method of accounting.

All significant intercompany balances and transactions have been eliminated.

#### **Restatement of Prior Year Financial Statements**

In conjunction with the Company's change of registered certified public accountants, a re-examination of the Company's financial statements for the year ending April 30, 2009 and the application of generally accepted accounting principles for the application of the purchase method of accounting it was necessary for the Company to restate its April 30, 2009 balance sheet and results of operations for the year then ended. The restatement of the Company's April 30, 2009 balance sheet and results of operations for the year then ended also triggered a restatement of the Company's July 31, 2009 balance sheet and results of operations for the quarter then ended. An analysis of the restated July 31, 2009 results of operations for the three months ending are included in Note 11 – Restated Financial Statements.

#### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

#### **Inventories**

Inventories are stated at the lower of cost or market. Cost is computed on a weighted-average basis, which approximates the first-in, first-out method, and market is based upon estimated replacement costs. Costs included in inventory primarily include finished product and packaging.

#### **Use of Estimates**

The preparation of financial statements in conformity with GAAP required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## Property and Equipment

Property and equipment are recorded at cost. Expenditures that increase the useful lives or capacities of the plant and equipment are capitalized. Expenditures for repairs and maintenance are charged to income as incurred. Depreciation is provided using the straight-line method over the estimated useful lives as follows:

Computer equipment/software	3 years
Furniture and fixtures	7 years
Machinery and equipment	7 years
Building improvements	15 years
Building	40 years

## Goodwill and other indefinite-lived intangibles

The Company records the excess of purchase price over the fair value of the identifiable net assets acquired as goodwill and other indefinite-lived intangibles. The FASB standard on goodwill and other intangible assets, prescribes a two-step process for impairment testing of goodwill and indefinite-lived intangibles, which is performed annually, as well as when an event triggering impairment may have occurred. The first step tests for impairment, while the second step, if necessary, measures the impairment. The Company has elected to perform its annual analysis at the end of its reporting year.

## Valuation of long-lived assets

The Company accounts for the valuation of long-lived assets under the FASB standard for accounting for the impairment or disposal of Long-Lived Assets. The FASB standard requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less cost to sell.

## Basic and Diluted Earnings (Loss) per Share

Basic and diluted earnings per share is calculated using the weighted-average number of common shares outstanding during the period without consideration of the dilutive effect of stock warrants, convertible notes and convertible preferred shares.

## Fair value of financial instruments

For certain of the Company's non-derivative financial instruments, including cash and cash equivalents, receivables, accounts payable, and other accrued liabilities, the carrying amount approximates fair value due to the short-term maturities of these instruments. The estimated fair value of long-term debt is based primarily on borrowing rates currently available to the Company for similar debt issues. The fair value approximates the carrying value of long-term debt.

ASC Topic 820, "Fair Value Measurements and Disclosures," requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 825, "Financial Instruments," defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the consolidated balance sheets for receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1. Observable inputs such as quoted prices in active markets;
- Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The following presents the gross value of assets and liabilities that were measured and recognized at fair value.

- Level 1: none
- Level 2: none
- Level 3: none

Effective October 1, 2008, the Company adopted Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value. Neither of these statements had an impact on the Company's financial position, results of operations or cash flows. The carrying value of cash and cash equivalents, accounts payable and accrued expenses, as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments.

#### **Recent accounting pronouncements**

In March 2010, the FASB (Financial Accounting Standards Board) issued Accounting Standards Update 2010-11 (ASU 2010-11), "Derivatives and Hedging (Topic 815): Scope Exception Related to Embedded Credit Derivatives." The amendments in this Update are effective for each reporting entity at the beginning of its first fiscal quarter beginning after June 15, 2010. Early adoption is permitted at the beginning of each entity's first fiscal quarter beginning after issuance of this Update. The Company does not expect the provisions of ASU 2010-11 to have a material effect on the financial position, results of operations or cash flows of the Company.

In February 2010, the FASB Accounting Standards Update 2010-10 (ASU 2010-10), "Consolidation (Topic 810): Amendments for Certain Investment Funds." The amendments in this Update are effective as of the beginning of a reporting entity's first annual period that begins after November 15, 2009 and for interim periods within that first reporting period. Early application is not permitted. The Company's adoption of provisions of ASU 2010-10 did not have a material effect on the financial position, results of operations or cash flows.

In February 2010, the FASB issued ASU No. 2010-09 "Subsequent Events (ASC Topic 855) "Amendments to Certain Recognition and Disclosure Requirements" ("ASU No. 2010-09"). ASU No. 2010-09 requires an entity that is an SEC filer to evaluate subsequent events through the date that the financial statements are issued and removes the requirement for an SEC filer to disclose a date, in both issued and revised financial statements, through which the filer had evaluated subsequent events. The adoption did not have an impact on the Company's financial position and results of operations.

In January 2010, the FASB issued an amendment to ASC 820, Fair Value Measurements and Disclosure, to require reporting entities to separately disclose the amounts and business rationale for significant transfers in and out of Level 1 and Level 2 fair value measurements and separately present information regarding purchase, sale, issuance, and settlement of Level 3 fair value measures on a gross basis. This standard, for which the Company is currently assessing the impact, is effective for interim and annual reporting periods beginning after December 15, 2009 with the exception of disclosures regarding the purchase, sale, issuance, and settlement of Level 3 fair value measures which are effective for fiscal years beginning after December 15, 2010.

In January 2010, the FASB issued an amendment to ASC 505, Equity, where entities that declare dividends to shareholders that may be paid in cash or shares at the election of the shareholders are considered to be a share issuance that is reflected prospectively in EPS, and is not accounted for as a stock dividend. This standard is effective for interim and annual periods ending on or after December 15, 2009 and is to be applied on a retrospective basis. The adoption of this standard is not expected to have a significant impact on the Company's financial statements.

In October 2009, the FASB issued an amendment to the accounting standards related to certain revenue arrangements that include software elements. This standard clarifies the existing accounting guidance such that tangible products that contain both software and non-software components that function together to deliver the product's essential functionality, shall be excluded from the scope of the software revenue recognition accounting standards. Accordingly, sales of these products may fall within the scope of other revenue recognition standards or may now be within the scope of this standard and may require an allocation of the arrangement consideration for each element of the arrangement. This standard will become effective on January 1, 2011.

In October 2009, FASB issued an amendment to the accounting standards related to the accounting for revenue in arrangements with multiple deliverables including how the arrangement consideration is allocated among delivered and undelivered items of the arrangement. Among the amendments, this standard eliminated the use of the residual method for allocating arrangement considerations and requires an entity to allocate the overall consideration to each deliverable based on an estimated selling price of each individual deliverable in the arrangement in the absence of having vendor-specific objective evidence or other third party evidence of fair value of the undelivered items. This standard also provides further guidance on how to determine a separate unit of accounting in a multiple-deliverable revenue arrangement and expands the disclosure requirements about the judgments made in applying the estimated selling price method and how those judgments affect the timing or amount of revenue recognition. This standard, for which the Company is currently assessing the impact, will become effective on January 1, 2011.

In August 2009, FASB issued an amendment to the accounting standards related to the measurement of liabilities that are recognized or disclosed at fair value on a recurring basis. This standard clarifies how a company should measure the fair value of liabilities and that restrictions preventing the transfer of a liability should not be considered as a factor in the measurement of liabilities within the scope of this standard. This standard is effective for the Company on October 1, 2009. The adoption of this amendment did not have a material effect on the Company's financial statements.

On September 30, 2009, the Company adopted changes issued by the Financial Accounting Standards Board (FASB) to the authoritative hierarchy of GAAP. These changes establish the FASB Accounting Standards Codification (Codification) as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. Rules and interpretive releases of the Securities and Exchange Commission (SEC) under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The FASB will no longer issue new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Abstracts; instead the FASB will issue Accounting Standards Updates. Accounting Standards Updates will not be authoritative in their own right as they will only serve to update the Codification. These changes and the Codification itself do not change GAAP. Other than the manner in which new accounting guidance is referenced, the adoption of these changes had no impact on the Company's financial statements.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

### **Revenue Recognition**

Sales of products and related costs of products sold are recognized when (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the price is fixed or determinable and (iv) collectability is reasonably assured. These terms are typically met upon the prepayment and shipment of Cinnechol™, the prepayment or invoicing and shipment Cinnergen™, the prepayment or invoicing and shipment of inks and tattoo equipment, the invoicing and shipment of Talsyn™ scar cream to the customer.

### **Allowance for Doubtful Accounts**

The Company provides an allowance for estimated uncollectible accounts receivable balances based on historical experience and the aging of the related accounts receivable.

### **Income Taxes**

Deferred taxes are calculated using the liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

In June 2006, the FASB interpreted its standard for accounting for uncertainty in income taxes, an interpretation of accounting for income taxes. This interpretation clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance the minimum recognition threshold and measurement attributable to a tax position taken on a tax return is required to be met before being recognized in the financial statements. The FASB's interpretation had no material impact on the Company's financial statements for the year ended April 30, 2010. As of April 30, 2010 and July 30, 2010, the Company had a net operating loss carry forward for income tax reporting purposes of approximately \$37,500,000 and \$37,634,260, respectively that may be offset against future taxable income through 2025. Current tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited. No tax benefit has been reported in the financial statements, because the Company believes there is a 50% or greater chance the carry forwards will expire unused. Accordingly, the potential tax benefits of the loss carry forwards are offset by a valuation allowance of the same amount.

### **Research and Development Costs**

Expenditures for research and development are expensed as incurred. Such costs are required to be expensed until the point that technological feasibility is established. For the three months ended July 31, 2010 and 2009, the Company incurred research and development costs of \$7,904 and \$244,047 respectively.

## Concentration of Credit Risk

The Company has no significant off-balance-sheet concentrations of credit risk such as foreign exchange contracts, options contracts or other foreign hedging arrangements. The Company maintains the majority of its cash balances with one financial institution in the form of demand deposits.

## NOTE 4 – ACCOUNTS RECEIVABLE

The Company recognizes receivables predominately on sales of its Cinnergen™ and private label ink products. For the three months ended July 31, 2010, the Company has not established an allowance for doubtful accounts as the Company currently deems all of its receivables as collectable.

## NOTE 5 - INVENTORY

At July 31, 2010 and April 30, 2010, inventory consisted of \$1,959 and \$2,528, respectively of finished goods inventory for Cinnergen™ products. Inventories are stated at the lower of cost or market. Cost is computed on a weighted-average basis, which approximates the first-in, first-out method; market is based upon estimated replacement costs.

## NOTE 6 - FIXED ASSETS

Fixed assets consisted of the following:

	July 31, 2010	April 30, 2010
Building	\$ -	\$ -
Computers	59,838	59,838
Furniture and fixtures	31,071	31,071
Lab equipment	149,316	149,316
	<u>240,225</u>	<u>240,225</u>
Less: accumulated depreciation	<u>(144,711)</u>	<u>(132,687)</u>
	<u>\$ 95,514</u>	<u>\$ 107,538</u>

Depreciation expense for the three months ended July 31, 2010 and 2009 was \$12,024 and \$29,727, respectively.

## NOTE 7 - ASSETS HELD FOR SALE

In accordance with the authoritative guidance of the Financing Accounting Standards Board, assets held for sale are reported at the lower of the carrying amount or fair value less cost to sell and the recognition of depreciation expense is discontinued. On February 16, 2010, the Company entered into a \$1,150,000 Sale Agreement for its Cherry Hill facility. Although the Sale Agreement was never finalized, the Sale Agreement establishes a fair market value less than the book value for the Company's building and building improvements. Generally accepted accounting principles require the Company to adjust the value of its fixed asset to fair market value. The Company has adjusted and reclassified the value of its building and building improvements to fixed assets held for sale in the amount of \$1,081,000 (\$1,150,000 less \$69,000 in estimated real estate commission) as of April 30, 2010 and July 31, 2010.

**NOTE 8 – DEBT**

	July 31, 2010			April 30, 2010		
	Principle	Accrued interest & penalty	Total	Principle	Accrued interest & penalty	Total
Note payable to a Bank for a mortgage secured by the building, interest at 7.75 % payable in monthly installments of \$19,202, with a balloon payment due 2/1/2013.	\$ 1,592,315	\$ 75,455	\$ 1,667,770	\$ 1,592,315	\$ 75,455	\$ 1,667,770
Increase for fair value at acquisition	112,681	-	112,681	112,681	-	112,681
Amortization of premium	(40,756)	-	(40,756)	(33,564)	-	(33,564)
Note payable for a mortgage	1,664,240	75,455	1,739,695	1,671,432	75,455	1,746,887
Note Payable to a Law Firm, secured by a second mortgage on the building with interest at 2.5% payable in monthly installments of \$5,787.	178,951	5,248	184,199	178,951	5,248	184,199
Note Payable to an individual secured by a third mortgage on the property due 12/31/2009 with interest at 10% payable on the first day of April, July and October until the maturity date with the balance payable on the maturity date.	150,000	12,500	162,500	150,000	12,500	162,500
License fee agreement with Brown University, amended February 12, 2009, for intellectual property rights. Equal payments of \$100,000 are due on June 1, 2009, 2010, 2011 and 2012. The license fee payments do not include interest.	400,000	-	400,000	400,000	-	400,000
Decrease for fair value at acquisition	(58,408)	-	(58,408)	(58,408)	-	(58,408)
Amortization of premium	25,460	-	25,460	20,967	-	20,967
Note fee payable	367,052	-	367,052	362,559	-	362,559
Bridge loan payable initiated 12/01/2008 accruing interest at 8% and payable upon maturity on 6/30/2010.	20,000	2,400	22,400	20,000	2,400	22,400
Total	2,380,243	95,603	2,475,846	2,382,942	95,603	2,478,545
Less: current portion	2,380,243	95,603	2,475,846	2,282,942	95,603	2,378,545
Long-term portion	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000

In July 2009, the mortgage agreement with Cornerstone bank was modified whereby the principle of \$43,572 paid to date on the note was re-advanced to the borrower returning the principle balance to \$1,600,000. Payments under the modified agreement commenced on September 1, 2009. The pending sale of the Company's building accelerates the potential payment of the Cornerstone bank mortgage to the current year. Accordingly, although the maturity date of the mortgage extends to February 1, 2013, the Company recognizes the entire outstanding mortgage value as a current liability. At the date of acquisition the mortgage and license fee payable were recorded at fair value on the Company's balance sheet. The above schedule adjusts the book value of those liabilities to their fair value, net of applicable amortization of the discount and premium as of July 31, 2010 and April 30, 2010.

May 2010 to present, the Company in cooperation with its major secured and unsecured creditors have formed an ad hoc committee of creditor to collaborate toward a resolution of its outstanding debt and trade payable obligations. The ad hoc committee is overseeing the sale of the Company's real estate holdings and the liquidation of idle furniture and fixtures, manufacturing and research and development assets. Additionally, the Company and the ad hoc committee are evaluating the sale of certain product lines and collection of past due royalties from Charleston Kentrist 41 Direct, Inc. (CK-41) the proceeds of which would be used to extinguish debt and trade payable obligations. The ad hoc committee is chaired by Cornerstone Bank, the Company mortgage lender and largest creditor.

**NOTE 9 - PREFERRED STOCK**

In December 2007, the Company issued 5,000 shares of Series E Preferred Stock to a single shareholder for cash of \$500,000.

In April 2008, the Company issued an additional 5,000 shares of Series E Preferred Stock to the same shareholder for cash of \$500,000.

From August 1, 2009 through October 31, 2009, the shareholder converted 5,000 shares of Series E Preferred Stock to 25,000,000 shares of Common Stock.

Series E Preferred Stock has, among others, the following features:

- Series E Preferred Shares will not bear any dividends.
- Each share of Series E Preferred Stock is entitled to receive its share of assets distributable upon the liquidation, dissolution or winding up of the affairs of the Company. The holders of the Series E Preferred Shares shall be entitled to receive in cash out of the assets of the Company before any amount shall be paid to the holders of any capital stock of the Company of any class junior in rank to the Series E Preferred Shares.
- Each share of Series E Preferred Stock is convertible, at the holder's option, into shares of Common Stock, at the average Closing Bid Price of the Company's common stock for five (5) trading days prior to the Conversion Date.
- At every meeting of stockholders, every holder of Series E Preferred Stock is entitled to 50,000 votes for each share of Series E Preferred Stock in his name, with the same and identical voting rights as a holder of a share of Common Stock.

The average Closing Bid Price at July 31, 2010 was \$0.01. Based on the Series E Preferred Stock provisions, if converted on January 31, 2010, the outstanding Series E Preferred Shares would have converted into 50,000,000 shares of the Company's common stock. The full value for the convertible Preferred Stock was recorded outside of stockholders' equity in the accompanying consolidated balance sheet.

#### **NOTE 10 - RELATED PARTY TRANSACTION**

On February 11, 2009, the Company and Charlston Kentrist 41 Direct, Inc. (CK-41) restructured its Marketing Agreement (the "restructured agreement") surrounding purEffect™, a four-step acne treatment system. Under the terms of the restructured agreement, the Company will transfer all of its rights to purEffect™ to CK-41 for four million two hundred-fifty thousand (4,250,000) shares of CK-41 common stock at the price of \$0.01 per share. CK-41 will also grant the Company a three year warrant to purchase an additional four million two hundred-fifty thousand (4,250,000) shares of common stock at \$6.00 per share. Additionally, the Company will receive a two percent (2%) royalty on worldwide purEffect™ adjusted gross sales. The restructured agreement sets minimum royalty payments of one hundred-fifty thousand (\$150,000) dollars payable March 1, 2010 and two hundred-fifty thousand (\$250,000) dollars payable on March 1, 2011. As of April 30, 2010, CK-41 is delinquent in its payment of the \$150,000 minimum royalty due as of March 1, 2010. Accordingly, the Company with no assurance that this royalty payment will be made is recognizing purEffect™ royalties on a cash received basis. The Company will hold one seat on the board of directors of CK-41.

On September 4, 2009, the Company and Legacy Biotechnologies, Inc. (Legacy) entered into a Joint Venture Agreement (the "joint venture") to develop market and sell Reme-Flu™, a homeopathic flu remedy. Under the terms of the joint venture, Knock-Out Technologies, Ltd., a wholly owned subsidiary of Nuvilex, Inc., granted a license to Legacy to certain intellectual property and know-how. Nuvilex, Inc. is entitled to thirty percent (30%) of net revenues received from the sale of Reme-Flu™ and related products. Net revenues is defined as gross sales less returned goods, cash discounts, credit card processing fees, bad debts, product advertising and marketing expenses, shipping and sales taxes.

On November 4, 2009, the Company and Legacy Biotechnologies, Inc. (Legacy) entered into a Joint Venture Agreement (the "joint venture") to collaborate on the research and development of its cancer therapy technology. Under the terms of the joint venture, Knock-Out Technologies, Ltd., a wholly owned subsidiary of Nuvilex, Inc., granted access to Legacy to certain intellectual property, know-how and research data in support of the Company's cancer therapy development program. Legacy is to provide financial and technical assistance to advance the Company's cancer therapy development program to proof of concept and potentially to a US Food and Drug Administration (FDA) New Drug Application (NDA). Under the terms of the joint venture agreement, Legacy will be entitled to 100% of net revenues or royalties received from sales of products containing Nuvilex's cancer therapy technology up to its aggregate investment in the cancer therapy development program. Thereafter, Legacy will be entitled to 60% of net revenues or royalties received from sales of products containing Nuvilex's cancer therapy technology and Nuvilex will be entitled to 40% of net revenues or royalties received from sales of products containing Nuvilex's cancer therapy technology.

The Company has a consulting agreement with Mr. Robert Bowker, President, Knock-Out Technologies, Ltd., a wholly owned subsidiary of Nuvilex, Inc. For the fiscal years ending April 30, 2010 and 2009, the Company incurred consulting fees of \$82,120 and \$90,000 respectively. As of July 31, 2010 the Company owes Mr. Bowker \$4,280, which is recorded in the Company's accounts payable.

During the quarter ended July 31, 2010 a shareholder of the Company loaned the Company \$13,000.

#### **NOTE 11 – RESTATED FINANCIAL STATEMENTS**

In conjunction with the Company's change of registered certified public accountants, a re-examination of the Company's financial statements for the year ending April 30, 2009 and the application of generally accepted accounting principles for the application of the purchase method of accounting, it was necessary to restate the Company's April 30, 2009 balance sheet and results of operations for the year then ended. This restatement in turn triggered a restatement of the Company's July 31, 2009 balance sheet and results of operations for the quarter then ended. An analysis of the restated July 31, 2009 results of operations for the quarter then ended is as follows.

1. The change to recording certain property acquired from Freedom-2 Holdings, Inc to fair value generated a reversal of \$3,181 in Q1 depreciation expense. The depreciation reversal is reflected in a decrease in general and administrative expenses.
2. The addition of \$176,000 of intangible assets acquired from Freedom-2 Holdings, Inc. required the recording of \$2,933 of amortization expense for the quarter.

3. Amortization of \$34,027 of the debt discount is charged to interest expense.
4. A net decrease to short term debt for the amortization of the premium and discount related to the recording of the mortgage and license fee payable at their respective fair values.
5. A reclass of \$20,116 from general and administrative expense to accumulated deficit. The \$20,116 was from the issuance of a common stock dividend. The amount was originally incorrectly booked to general and administrative expense.

	<b>For the Three Months Ended July 31, 2009</b>			
	<b>As Reported</b>	<b>Prior Yr Adj</b>	<b>Current Qtr Adj</b>	<b>As Restated</b>
Revenues	\$ 67,947	\$ -	\$ -	\$ 67,947
Cost of revenues	41,792	-	-	41,792
Gross profit	26,155	-	-	26,155
<b>Expenses:</b>				
Sales and marketing	147,645	-	-	147,645
Research and development	244,047	-	-	244,047
Impairment loss recognized for fixed assets	-	857,024	-	-
General and administrative	362,117	134,836	(20,364) 1,2,5	341,753
Total operating expenses	753,809	991,860	(20,364)	733,445
Net loss from operations	(727,654)	(991,860)	20,364	(707,290)
<b>Other income (expense)</b>				
Interest income	2	-	-	2
Dividend income	2	-	-	2
Gain on sale of marketable securities	(55,000)	-	-	(55,000)
Interest expense	(37,699)	(9,296)	(31,328) 3,4	(69,027)
Other income (expense), net	5,425	-	-	5,425
Total other income (expense)	(87,270)	(9,296)	(31,328)	(118,598)
Net loss	\$ (814,924)	\$ (1,001,156)	\$ (10,964)	\$ (825,888)
<b>Loss per share</b>				
Basic and diluted	\$ (0.00)			\$ (0.00)
<b>Weighted average shares outstanding</b>				
Basic and diluted	284,619,878			286,059,878

#### NOTE 12 - SUBSEQUENT EVENTS

On September 17, 2010, Mr. Martin Schmieg, Chairman and CEO resigned his position with the Company for personal reasons. Mrs. Patricia Gruden was appointed as successor to Mr. Schmieg.

The Company has reviewed its subsequent events through January 11, 2011 and no materials events other than those disclosed above were found.

## **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JULY 31, 2010 AND 2009**

*The following discussion may contain forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed here. Factors that could cause or contribute to such differences include, but are not limited to, any factors discussed in this section as well as factors described in "Part II, Item 1A – Risk Factors."*

### **SALES**

Revenues from operations for the three months ended July 31, 2010 and 2009 were \$26,960 and \$67,947 respectively. The decline in quarterly revenues is primarily attributable to a decline in Cinnergen™ retail wholesale orders.

### **RESEARCH AND DEVELOPMENT**

During the three months ended July 31, 2010, the Company incurred research and development expenses of \$7,904 compared with \$244,047 during the three months ended July 31, 2009. The Company's research and development costs decreased concomitantly with available resources. Research and development expenses were concentrated toward the advancement of the Company's supplement products.

### **SELLING, GENERAL AND ADMINISTRATIVE EXPENSES**

A summary of the Company's selling, general and administrative costs is as follows:

During the three months ended July 31, 2010, the Company incurred sales and marketing expenses of \$7,000 compared to sales and marketing expenses of \$147,645 during the three months ended July 31, 2009. Current period sales and marketing expenses were limited to an update of the Company's website.

General and administrative expenses decreased to \$84,465 from \$341,753 for the three months ended July 31, 2010 as compared to the prior year. The decrease is primarily attributable to decreases in personnel and related facilities operating costs.

### **LIQUIDITY AND CAPITAL RESOURCES**

As of July 31, 2010, the Company had a working capital deficit of \$3,261,919.

By adjusting the Company's operations, including a decrease in ongoing salary, benefits, facilities, research and development expenses, and through bridge financing to be provided by existing shareholders, management believes it has sufficient capital resources to meet projected cash flow deficits. Any failure by the Company to generate sufficient liquidity from operations or in raising sufficient capital resources on terms acceptable to it would have a materially adverse effect on the Company's business, results of operations, liquidity and financial condition.

The Company's independent certified public accountants have stated in their reports, which are included as part of the Company's audited financial statements for the fiscal years ended April 30, 2010 and 2009, respectively, that the Company has suffered recurring losses from operations, which raises substantial doubt about the Company's ability to continue as a going concern.

We have no off-balance sheet arrangements, special purpose entities, financing partnerships or guarantees.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

### **ITEM 4T. CONTROLS AND PROCEDURES**

#### **Evaluation of and Report on Internal Control over Financial Reporting**

The management of Nuvilex, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, the company's principal executive and principal financial officers and effected by the company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Pursuant to Rule 13a-15(e) and 15d-15(e) under the Exchange Act, the Company carried out an evaluation with the participation of the Company's management, including, the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined under Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) as of the three-month period ended July 31, 2010. Based upon that evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures were ineffective as of July 31, 2010 to ensure that information requiring disclosure by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

## **PART II - OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

**NONE.**

### **ITEM 1A. RISK FACTORS**

*In evaluating the business of the Company and making investment decisions, you should carefully consider the risks described below, which may affect future results, together with all of the other information included or incorporated by reference in this Form 10-Q/A, the Company's Annual Report on Form 10-K for the twelve months ended April, 30, 2010 and the other filings of the Company made from time to time with the Securities and Exchange Commission. The risks and uncertainties described below are those that the Company currently believes may materially affect its business, results of operations, financial condition, cash flow, future prospects, ability to pay liabilities and trading price of the Company's shares of common stock. The below description includes any material changes to and supersedes the description of risk factors associated with the business previously disclosed in "Part II, Item 1A – Risk Factors" of the Company's Annual Report on form 10K for the twelve months ended April 30, 2010. Additional risks and uncertainties that Nuvilex is unaware of or that it currently deems immaterial also may become important factors that affect its business, result of operations, financial condition, cash flow, future prospects, ability to pay liabilities and trading price of the Company's shares of common stock. Nuvilex's common shares involve a high degree of risk and should be purchased only by investors who can afford a loss of their entire investment. Prospective investors should carefully consider the following risk factors concerning the Company's business before making an investment.*

#### **Doubt Regarding Ability to Continue as a Going Concern**

Nuvilex's financial statements have been presented on the basis that it is and will remain a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company had minimal revenues and incurred net operating losses for the period October 1999 (inception) to July 31, 2010. As the Company's independent auditors have concluded, these factors create an uncertainty about Nuvilex's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent, among other factors, on its success in marketing its products, containing costs, establishing a credit facility, and/or raising additional equity capital. The financial statements of Nuvilex do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

#### **Early Revenue Stage Company: Generation of Revenues**

Nuvilex is an early revenue stage company and an investor cannot reasonably determine if the Company will ever be profitable. Nuvilex is likely to continue to experience financial difficulties during its early revenue stage and beyond. The Company may be unable to operate profitably, even if it generates additional revenues. Nuvilex may not obtain the necessary working capital to continue developing and marketing its products. Furthermore, Nuvilex's products may not receive sufficient interest to generate revenues or achieve profitability.

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## **Need for Future Capital: Long-Term Viability of Company**

Nuvilex will need additional capital to continue its operations.

There can be no assurance that the Company will generate revenues from operations or obtain sufficient capital on acceptable terms, if at all. Failure to obtain such capital or generate such operating revenues would have an adverse impact on the Company's financial position, operations and ability to continue as a going concern. Nuvilex's operating and capital requirements during the next fiscal year and thereafter will vary based on a number of factors, including the level of sales and marketing activities for its services and products. There can be no assurance that additional private or public financing, including debt or equity financing, will be available as needed or if available, on terms favorable to the Company. Any additional equity financing may be dilutive to stockholders and such additional equity securities may have rights, preferences, or privileges that are senior to those of Nuvilex's existing common stock.

Furthermore, debt financing, if available, will require payment of interest and may involve restrictive covenants that could impose limitations on the flexibility of the Company to operate. Nuvilex's failure to successfully obtain additional funding may jeopardize its ability to continue the business and its operations.

If the Company raises additional funds by issuing equity securities, existing stockholders may experience a dilution in their ownership. In addition, as a condition to giving additional funds to the Company, future investors may demand, and be granted, rights superior to those of existing shareholders.

## **Unpredictability of Future Revenues: Potential Fluctuations in Operating Results**

The Company is currently unable to accurately forecast its revenues. Typically, current and future expense levels are based largely on marketing and development plans and estimates of future revenues. Sales and operating results will generally depend on the volume and timing of orders and on the Company's ability to fulfill such orders, both of which are difficult to forecast at this stage. Nuvilex may be unable to adjust spending in a timely manner to compensate for any unexpected revenue shortfall. Accordingly, any significant shortfall in revenues in relation to planned expenditures could have an immediate adverse effect on the Company's business, prospects, financial condition and results of operations. Further, as a strategic response to changes in the competitive environment, Nuvilex may from time to time make certain pricing, service or marketing decisions that could have a materially adverse effect on its business, prospects, financial condition and results of operations.

Nuvilex may experience significant fluctuations in future operating results due to a variety of factors, many of which are outside the Company's control. Factors that may affect operating results include: (i) the ability to obtain and retain customers, attract new customers at a steady rate and maintain customer satisfaction with products, (ii) the announcement or introduction of new services by Nuvilex or its competitors, (iii) price competition, (iv) the level of use and consumer acceptance of its products, (v) the amount and timing of operating costs and capital expenditures relating to expansion of the business, operations and infrastructure, (vi) governmental regulations, and (vii) general economic conditions.

## **Flaws and Defects in Products**

Products offered by Nuvilex may contain undetected flaws or defects when first introduced or as new versions are released. Any inaccuracy or defects may result in adverse product reviews and a loss or delay in market acceptance. There can be no assurance that flaws or defects will not be found in Nuvilex products. Flaws and defects, if found, could have a materially adverse effect upon the business operations and financial condition of the Company. Marketing of any of the Company's potential products may expose the Company to liability claims resulting from the use of the Company's products. These claims might be made by consumers, health care providers, sellers of the Company's products or others. A claim, particularly resulting from a clinical trial, or a product recall could harm the Company's business, results of operations, financial condition, cash flow and future prospects.

## **Stock Price Volatility**

The market price of the Company's stock has fluctuated significantly in the past and may continue to fluctuate in the future. The Company believes that such fluctuations will continue as a result of many factors, including financing plans, future announcements concerning the Company, the Company's competitors or principal customers regarding financial results or expectations, industry supply or demand dynamics, new product introductions, governmental regulations, the commencement or results of litigation or changes in earnings estimates by analysts. In addition, in recent years the stock market has experienced significant price and volume fluctuations often for reasons outside the control of the particular companies. These fluctuations as well as general economic, political and market conditions may have an adverse affect on the market price of the Company's common stock.

## **Worldwide Economic Conditions**

The Company's financial performance is significantly affected by worldwide economic conditions and the related impact on levels of consumer spending, which has recently deteriorated significantly in many countries and regions, including the U.S., and may remain depressed for the foreseeable future. Demand for the Company's products is adversely affected by negative macroeconomic factors affecting consumer spending. The severe tightening of consumer credit, low level of consumer liquidity, and extreme volatility in credit and equity markets have weakened consumer confidence and decreased consumer spending. These and other economic factors have reduced demand for the Company's products and harmed the Company's business, financial condition and results of operations, and to the extent such economic conditions continue, they could cause further harm to the Company's business, financial condition and results of operations.

## **Dependence on Sales through Retailers and Distributors**

The Company's business depends significantly upon sales through retailers and distributors, and if the Company's retailers and distributors are not successful, the Company could experience reduced sales, substantial product returns or increased price protection, any of which would negatively impact the Company's business, financial condition and results of operations. A significant portion of the Company's sales are made through retailers, either directly or through distributors. If the Company's retailers and distributors are not successful due to weak consumer retail demand caused by the current worldwide economic downturn, decline in consumer confidence, or other factors, the Company could continue to experience reduced sales as well as substantial product returns or price protection claims, which would harm the Company's business, financial condition and results of operations.

## **Limited Senior Management Personnel: Management of Potential Growth; New Management Team**

Under Nuvilex's business plan, it intends to rapidly and significantly expand its operations to address potential growth in its customer base and market opportunities. This expansion is expected to place a significant strain on the Company's management, operations and financial resources.

To manage the expected growth of its operations and personnel, the Company may be required to implement new, transaction processing, operating and financial systems, procedures and controls, and to expand, train and manage a growing employee base. Nuvilex may also deem it prudent to expand its finance, administrative and operations staff.

There can be no assurance that Nuvilex's planned personnel, systems, procedures and controls will be adequate to support its future operations, that management will be able to hire, train, retain, motivate and manage personnel or that management will be able to successfully identify, manage and exploit existing and potential market opportunities. If Nuvilex is unable to manage growth effectively, the Company's business, prospects, financial condition, results and operations could be materially adversely affected.

## **Competition**

The market in which Nuvilex competes is highly competitive, and the Company has no assurance that it will be able to compete effectively, especially against established industry competitors with significantly greater financial resources. The Company expects to face competition from a few competitors with significantly greater financial resources, well-established brand names and large, existing customer bases. Nuvilex expects the level of competition to intensify in the future.

## **Dependence on Management**

Nuvilex's performance will be substantially dependent on the continued services and on the performance of the current senior management and other key personnel of the Company. Nuvilex's performance will also depend on the Company's ability to retain and motivate its other officers and key employees. The loss of Nuvilex's chief executive officer or other key employees could have a materially adverse effect on the Company's business, prospects, financial condition and results of operations. Nuvilex's future success will depend on its ability to identify, attract, hire, train, retain and motivate other highly skilled technical, managerial, merchandising, marketing and customer service personnel. Competition for such personnel is intense and there can be no assurance that Nuvilex will be able to successfully attract, assimilate and retain sufficiently qualified personnel. The failure to retain and attract the necessary technical and managerial personnel could have a materially adverse effect on the Company's business, prospects, financial condition and results of operations.

## **Development of Brand Awareness**

For certain market segments that Nuvilex plans to pursue, the development of its brand awareness is essential for it to reduce its marketing expenditures over time and realize greater benefits from marketing expenditures. If the Company's brand-marketing efforts are unsuccessful, growth prospects, financial condition and results of operations would be materially adversely affected. Nuvilex's brand awareness efforts have required, and will continue to require, incurrence of significant expenses.

## **Intellectual Property Protection: Uncertainty of Protection of Proprietary Rights**

Nuvilex currently relies on a combination of patents, trademarks, trade secret protection, non-disclosure agreements and licensing arrangements to establish and protect its proprietary rights. Despite efforts to safeguard and maintain Nuvilex's proprietary rights, there can be no assurance that the Company will be successful in doing so or that its competitors will not independently develop products that are substantially equivalent or superior to Nuvilex's products.

Nuvilex also relies on trade secrets and proprietary know-how, which the Company seeks to protect by confidentiality and non-disclosure agreements with its employees, consultants, and third parties. There can be no assurance that these agreements will not be breached, that the Company will have adequate remedies for any breach, or that certain of Nuvilex's trade secrets and proprietary know-how will not otherwise become known or be discovered by competitors.

Litigation may become necessary to enforce Nuvilex's intellectual property rights, to protect trade secrets, to determine the validity or scope of the proprietary rights of others, or to defend against claims of infringement or invalidity. Such litigation, whether successful or unsuccessful, could result in substantial costs and diversions of management resources, either of which could have a materially adverse effect on Nuvilex's business, prospects, financial condition, or operating results.

## **Availability and Coverage of Insurance**

For certain risks, the Company does not maintain insurance coverage because of cost and/or availability. Because the Company retains some portion of its insurable risks, and in some cases self-insures completely, unforeseen or catastrophic losses in excess of insured limits could have a materially adverse effect on the Company's financial condition and operating results.

## **Federal, State, Local and Foreign Laws and Regulations**

The Company's past research, product development and manufacturing activities have involved the controlled use of hazardous materials, and the Company may incur significant costs as a result of the need to comply with numerous laws and regulations. The Company is subject to laws and regulations enforced by the FDA, the DEA, the CDHS, foreign health authorities and other regulatory statutes including the Occupational Safety and Health Act, the Environmental Protection Act, the Toxic Substances Control Act, the Food, Drug and Cosmetic Act, the Resource Conservation and Recovery Act, and other current and potential federal, state, local and foreign laws and regulations governing the use, manufacture, storage, handling and disposal of the Company's products, materials used to develop the Company's products, and resulting waste products.

## Penny Stock Regulation

The Company's securities may be subject to "penny stock rules" that impose additional sales requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors (generally those with assets in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 together with their spouse). For transactions covered by these rules, the broker-dealer must make a special suitability determination for the purchase of such securities and have received the purchaser's written consent to the transaction prior to the purchase. Additionally, for any transaction involving a penny stock, unless exempt, the "penny stock rules" require the delivery, prior to the transaction, of a disclosure schedule prescribed by the Securities and Exchange Commission relating to the penny stock market. The broker-dealer also must disclose the commissions payable to both the broker-dealer and the registered representative and current quotations for the securities. Finally, monthly statements must be sent disclosing recent price information on the limited market in penny stocks. Consequently, the "penny stock rules" may restrict the ability of broker-dealers to sell the Company's securities. The foregoing required penny stock restrictions will not apply to the Company's common stock if such securities maintain a market price of \$5.00 or greater. The market price of the Company's common stock may not reach or remain at such a level.

### **Nuvilex anticipates that it will expend significant financial and management resources in its efforts to comply with the internal control attestation provisions of Section 404 of the Sarbanes-Oxley Act of 2002 for the fiscal year ending April 30, 2011.**

Section 404 of the Sarbanes-Oxley Act of 2002, and the rules and regulations promulgated there under, require Nuvilex to have management attest to the adequacy of its internal controls in the Company's annual report on Form 10-K for the year ending April 30, 2011. The Company's internal controls did not meet such requirements on April 30, 2010 or July 31, 2010 and the Company will be required to make substantial changes to its internal controls in order for management to be able to make the required attestations by the end of the fiscal year ending April 30, 2011. Larger public companies that are currently required to comply with Section 404 have incurred significant monetary and other expenses from diversion of management time and attention, the acquisition of new computer software, the employment of additional personnel and training and third party internal controls consultants. In light of Nuvilex's current capital position, the Company anticipates that it will be time-consuming, costly and difficult for it to develop and implement the internal controls necessary for management to make the required attestations. Nuvilex intends to hire additional financial reporting and internal controls personnel, acquire software and retain a third party consultant during year ended 2011.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS. None.**

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES. None.**

**ITEM 5. OTHER INFORMATION. None.**

**ITEM 6. EXHIBITS.**

Except as so indicated in Exhibits 32.1 and 32.2, the following exhibits are filed as part of, or incorporated by reference, this Quarterly Report on Form 10-Q/A.

<b>Exhibit No.</b>	<b>Description</b>	<b>Location</b>
2.1	Asset Purchase Agreement, dated August 24, 2005, between the Company and Mark Taggatz.	Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on August 30, 2005.
2.2	Share Purchase Agreement, dated August 31, 2005, between the Company and Dr. Richard Goldfarb.	Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on September 7, 2005.
2.3	Addendum to Share Purchase Agreement, dated August 31, 2005, between the Company and Dr. Richard Goldfarb.	Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on September 7, 2005.

2.4	Share Exchange Agreement, dated January 12, 2009, between the Company and Freedom2 Holdings, Inc.	Incorporated by reference from the Company's Current Report on Form 10-K filed with the SEC on August 13, 2009.
3.1	Articles of Incorporation of DJH International, Inc. dated October 25, 1996.	Incorporated by reference from the Company's Registration Statement on Form SB-2 (File No. 333-68008) filed with the SEC on August 20, 2001.
3.2	Certificate of Amendment of Articles of Incorporation of DJH International, Inc. dated October 20, 2000.	Incorporated by reference from the Company's Registration Statement on Form SB-2 (File No. 333-68008) filed with the SEC on August 20, 2001.
3.3	Certificate of Amendment of Articles of Incorporation dated November 14, 2003.	Incorporated by reference from the Company's Registration Statement on Form.
3.4	Certificate of Amendment of Articles of Incorporation dated June 30, 2008.	Incorporated by reference from the Company's Registration Statement on Form
3.5	Certificate of Amendment of Articles of Incorporation dated January 22, 2009.	Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on March 26, 2009.
3.6	Corporate Bylaws.	Incorporated by reference from the Company's Registration Statement on Form SB-2 (File No. 333-68008) filed with the SEC on August 20, 2001.
3.7	Certificate of Designations, Preferences and Rights of Series E Convertible Preferred Stock dated December 20, 2007.	Incorporated by reference from the Company's Current Report on Form 10-K filed with the SEC on August 13, 2009.
3.8	Certificate of Designations, Preferences and Rights of Series E Convertible Preferred Stock, dated April 29, 2008.	Incorporated by reference from the Company's Current Report on Form 10-K filed with the SEC on August 13, 2009.
4.1	Reference is made to Exhibits 3.1, 3.2 and 3.3.	
4.2	Form of Common Stock Certificate.	Incorporated by reference from the Company's Registration Statement on Form SB-2 (File No. 333-68008) filed with the SEC on August 20, 2001.
31.1	Certification of Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under Sarbanes-Oxley Act of 1934, as amended.	Filed herewith.
32.1	Certification 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*.	Filed herewith.

\*Exhibits 32.1 are being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall such exhibits be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act, except as otherwise stated in such filing.

## 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, thereunto duly authorized.

NUVILEX, INC.

By: /s/ Patricia Gruden

Patricia Gruden, Interim Chairman of the Board of Directors, and Interim Chief Financial Officer  
(Interim Principal Financial Officer On behalf of the Registrant)

Date: June 8, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

June 8, 2011	By: <u>/s/ Patricia Gruden</u> Patricia Gruden, Interim Chairman of the Board of Directors, and Interim Chief Financial Officer
June 8, 2011	By: <u>/s/ Robert Bowker</u> Robert Bowker, Director
June 8, 2011	By: <u>/s/ Richard Goldfarb</u> Richard Goldfarb, M.D., FACS, Director
June 8, 2011	By: <u>/s/ Timothy Matula</u> Timothy Matula, Director

## EXHIBIT 31.1

### SECTION 302 CERTIFICATION

I, Robert F. Ryan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Nuvilex, Inc.:
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 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 report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) 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 fourth fiscal quarter 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 owner's other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small issuer's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses 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: June 8, 2011

By: /s/ Robert F. Ryan  
Robert F. Ryan, Chief Executive Officer  
(Principal Executive Officer)

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## EXHIBIT 31.2

### SECTION 302 CERTIFICATION

I, Patricia Gruden, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q/A of Nuvilex, Inc.:
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 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 report;
4. The small business issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) 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 fourth fiscal quarter 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 owner's other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small issuer's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses 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: June 8, 2011

By: /s/ Patricia Gruden  
Patricia Gruden, Interim Chief Financial Officer  
(Interim Principal Financial Officer)

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## EXHIBIT 32.1

### SECTION 906 CERTIFICATION

In connection with the Quarterly Report of Nuvilex, Inc. on Form 10-Q/A for the period ending July 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert F. Ryan, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

By: /s/ Robert F. Ryan  
Robert F. Ryan, Chief Executive Officer  
(Principal Executive Officer)  
Date: June 8, 2011

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## EXHIBIT 32.2

### SECTION 906 CERTIFICATION

In connection with the Quarterly Report of Nuvilex, Inc. on Form 10-Q/A for the period ending July 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patricia Gruden, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

By: /s/ Patricia Gruden  
Patricia Gruden, Interim Chief Financial Officer  
(Interim Principal Financial Officer)  
Date: June 8, 2011

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