

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended January 31, 2013

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.)

12510 Prosperity Drive, Suite #310, Silver Spring, MD 20904

(Address of principal executive offices)

(240) 696-6859

(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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

(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 March 25, 2013, the registrant had 459,782,825 outstanding shares of Common Stock.

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, 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. Thus, investors should refer to and carefully review information in future documents Nuvilex, Inc. files with the Securities and Exchange Commission. 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. 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, the “Company,” “Nuvilex,” “we,” “us” and “our” refer to Nuvilex, Inc., a Nevada corporation, and, where appropriate, its subsidiaries.

PART I – 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 recommended these financial statements and notes to the financial statements should be read in conjunction with financial statements included in the Company’s Annual Form 10-K Report for the fiscal year ended April 30, 2012.

NUVILEX, INC.

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NUVILEX, INC.
CONSOLIDATED BALANCE SHEETS

	January 31, 2013	April 30, 2012
<u>ASSETS</u>		
Cash	\$ 33,334	\$ 15,723
Accounts receivable - net	—	2,581
Inventory	—	6,846
Prepaid on acquisition	1,355,980	874,230
Prepaid and other assets	32,854	159,350
Total Current Assets	<u>1,422,168</u>	<u>1,058,730</u>
Property, plant and equipment - net	—	—
Settlement obligation asset	1,028,778	1,028,778
Total Assets	<u>\$ 2,450,946</u>	<u>\$ 2,087,508</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</u>		
Current Liabilities		
Accounts payable	\$ 517,394	\$ 730,068
Accrued expenses	11,900	407,463
Accrued interest, related party	40,992	11,461
Due to related parties	98,758	360,108
Due to an officer	216,723	185,862
Settlement obligation liabilities	2,302,508	—
Loans payable	420,000	2,092,396
Total Current Liabilities	<u>3,608,275</u>	<u>3,787,358</u>
Long-term Liabilities		
Long-term debt, related party	292,000	—
Total Liabilities	<u>3,900,275</u>	<u>3,787,358</u>
Commitments and Contingencies		
Preferred stock, authorized 10,000,000 shares, \$0.0001 par value, 8,500 and 8,500 shares issued, and outstanding, respectively	<u>580,000</u>	<u>580,000</u>
Stockholders' Equity (Deficit)		
Common Stock, authorized 1,490,000,000 shares, \$0.0001 par value, 457,942,825 and 416,293,195 shares issued and outstanding, respectively	45,794	41,631
Additional paid in capital	39,043,811	37,526,524
Accumulated deficit	<u>(41,118,934)</u>	<u>(39,848,005)</u>
Total Stockholders' Equity (Deficit)	<u>(2,029,329)</u>	<u>(2,279,850)</u>
Total Liabilities and Stockholders' Equity (Deficit)	<u>\$ 2,450,946</u>	<u>\$ 2,087,508</u>

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

NUVILEX, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the Nine Months Ended January 31,		For the Three Months Ended January 31,	
	2013	2012	2013	2012
Revenues:				
Product sales	\$ 12,160	\$ 59,877	\$ —	\$ 20,271
Total revenue	12,160	59,877	—	20,271
Cost of revenues	9,620	23,922	—	2,211
Gross profit	2,540	35,955	0	18,060
Expenses:				
Sales and marketing	95,163	128,730	—	—
Compensation expense	460,406	1,024,803	114,529	396,476
Legal & professional fees	257,598	59,587	105,401	(8,528)
General and administrative	418,548	289,147	120,910	40,095
Total operating expenses	1,231,715	1,502,267	340,840	428,043
Net loss from operations	(1,229,175)	(1,466,312)	(340,840)	(409,983)
Other income (expense):				
Gain on forgiveness of debt	111,968	173,960	6,979	173,960
Loss on settlement of debt	(39,000)	—	(39,000)	—
Other income	2,590	—	—	—
Interest expense	(117,312)	(102,597)	(3,982)	(35,756)
Total other income (expense)	(41,754)	71,363	(36,003)	138,204
Net loss	\$ (1,270,929)	\$ (1,394,949)	\$ (376,843)	\$ (271,779)
Basic loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average shares outstanding	433,008,706	371,867,725	444,680,028	373,337,581

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

NUVILEX, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

	Common Stock		Additional Paid In Capital	Common Stock Not Yet Issued	Accumulated Deficit	Total
	Shares	Amount				
Balance April 30, 2011	357,137,581	\$ 35,714	\$ 34,415,655	\$ 768,031	\$ (37,948,693)	\$ (2,729,293)
Shares issued for cash	500,000	50	20,950	—	—	21,000
Shares issued for compensation	23,575,000	2,358	1,196,272	(37,750)	—	1,160,880
Shares issued for services	8,550,000	855	408,545	—	—	409,400
Shares issued on stock payable	14,605,614	1,461	728,820	(730,281)	—	—
Shares issued for repayment of cash advances	9,250,000	925	599,075	—	—	600,000
Shares issued for incentive for cash advances	1,650,000	165	101,585	—	—	101,750
Shares issued for settlement of debt	1,025,000	103	55,622	—	—	55,725
Net loss for the year ended April 30, 2012	—	—	—	—	(1,899,312)	(1,899,312)
Balance, April 30, 2012	416,293,195	41,631	37,526,524	—	(39,848,005)	(2,279,850)
Shares issued for compensation (unaudited)	9,898,334	989	439,407	—	—	440,396
Shares issued for services (unaudited)	4,400,000	440	194,560	—	—	195,000
Shares issued for settlement of debt (unaudited)	3,592,656	359	143,237	—	—	143,596
Shares issued for PPM (unaudited)	23,758,640	2,375	740,083	—	0	742,458
Net loss for the period ended January 31, 2013 (unaudited)	—	—	—	—	(1,270,929)	(1,270,929)
Balance, January 31, 2013 (unaudited)	457,942,825	\$ 45,794	\$ 39,043,811	\$ —	\$ (41,118,934)	\$ (2,029,329)

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

NUVILEX, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Nine Months Ended	
	January 31,	
	2013	2012
Cash flows from operating activities:		
Net loss	\$ (1,270,929)	\$ (1,394,949)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock issued for services	635,396	1,252,453
Loss on settlement of debt	39,000	—
Gain on forgiveness of debt	(111,968)	(173,960)
Depreciation and amortization	—	23,853
Stock issued for interest expense	57,133	—
Net amortization of discount/premium	(5,695)	(8,097)
Change in assets and liabilities:		
(Increase) / decrease in accounts receivable	2,581	(17,263)
(Increase) / decrease in inventory	6,846	16,399
(Increase) / decrease in prepaid expenses	157,683	15,580
Increase (decrease) in accounts payable	97,988	(32,044)
Increase in accrued interest, related party	29,531	6,084
Increase in accrued expenses	114,959	104,610
Net cash used in operating activities	<u>(247,475)</u>	<u>(207,334)</u>
Cash flows from investing activities:		
Payments towards acquisition	<u>(481,750)</u>	<u>(680,000)</u>
Net cash used by investing activities	<u>(481,750)</u>	<u>(680,000)</u>
Cash flows from financing activities:		
Proceeds from the sale of common stock	685,325	621,000
Proceeds from notes payable	—	3,000
Proceeds from borrowings, related party	61,511	362,210
Repayment of debt	—	(100,000)
Repayment of debt, related party	—	(17,000)
Net cash provided by financing activities	<u>746,836</u>	<u>869,210</u>
Net increase in cash	17,611	(18,124)
Cash at beginning of period	15,723	57,201
Cash at end of period	<u>\$ 33,334</u>	<u>\$ 39,077</u>
Supplementary non-cash disclosures:		
Cash paid for interest	\$ —	\$ —
Franchise and income taxes	\$ —	\$ —
Common stock issued for debt	<u>\$ 112,409</u>	<u>\$ —</u>

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

NUVILEX, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2013
(UNAUDITED)

NOTE 1 - BACKGROUND, ACQUISITION AND LIQUIDITY

This summary of accounting policies for Nuvilex, Inc. and 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.

History of the Company

The Company was founded as DJH International, Inc., a Nevada corporation, on October 28, 1996, changing its name to eFoodSafety.com, Inc. following the 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 provided methods and products to ensure 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, of which Knock-Out Technologies, Ltd. was a developer of products using organic, non-toxic, food based substances and MedElite, Inc. was the exclusive U.S. distributor of Talsyn™-CI Scar Cream ("Talsyn"), a topical scar- reducing cream. The Company's strategy was to bring to market scientifically derived products. 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™, a four-step non-prescription acne treatment. On March 10, 2006, the Company licensed the marketing rights for purEffect™ to Charleston Kentrist 41 Direct, Inc. ("CK41"). In July 2007, I-Boost, Inc., a wholly-owned subsidiary was formed to market products to support the immune system. In March 2008, Cinnechol, Inc. became a wholly-owned subsidiary to promote cardiovascular health. In February 2009, the Company sold the rights to the purEffect™ product to CK41 for an equity position in CK41 and future royalty compensation. In March 2009, Freedom2 Holdings, Inc. was acquired to manufacture and market products including Infinitink®, a permanent tattoo ink designed to be removed more easily using conventional laser light. The Company changed its name to Nuvilex, Inc. on March 18, 2009.

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, better known as Generally Accepted Accounting Principles (US GAAP or GAAP) applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. Accordingly, the Company has not yet established a regular source of revenue sufficient to maintain its operating costs and allow it to continue as a going concern. As of January 31, 2013, the Company had an accumulated deficit of \$41,118,934, incurred a net loss for the period ended January 31, 2013 of \$1,270,929 and had negative working capital of \$2,186,107.

Funding has been provided by management and investors and it is the intent of management to use that funding to make it possible to maintain and expand Nuvilex; in particular its subsidiary Austrianova Singapore Private Limited ("Austrianova Singapore" or ASPL) located in Singapore.

Although the Company's current business plan that includes funding requirements beyond its anticipated cash flow needs, we continue to acquire additional funds from management and outside investors and are still driving toward the goal of providing a new pancreatic cancer treatment that will increase the median survival and number of survivors of pancreatic cancer. In addition, we are utilizing the funding to cover the general financial requirements of the Company. We continue to assess opportunities currently brought before the Company.

It is important to note that due to the inherent challenges of obtaining funding in the present economic environment, doubt still exists as to the Company's ability to continue as a going concern. Irrespective of this, all of us at Nuvilex are actively undertaking the necessary steps to succeed and are committed to working with many different entities and interested investors to ensure success.

Strategy

Since the beginning of Nuvilex, products have been added and efforts have been made to ensure they be placed into use. Some have become recognized brands, including Cinnergen and Talsyn, yet the challenge remains to not only make products well recognized, useful,

important, and valuable enough everyday consumers use them, but to maintain the market once after it has been created. As a result, Nuvilex has changed in many ways over the years and continues to grow and develop today. On a daily basis, the Company receives inquiries for our legacy products, indicating their inherent value. It is an important part of our business to continue to take care of these consumers and their need for our products. From those humble beginnings we strive to move this Company forward with clarity, vision, and an ability to take care of consumers we have had for years and patients we aim to provide innovative therapies for in the future.

In order to maintain the company with the limited capital available and working toward the completion of the acquisition of Austrianova Singapore, which is still pending, Nuvilex management determined that for at least the time being, Nuvilex products would not be available for sale and continue to follow this course.

Nonetheless, funding that has been provided for Nuvilex operations and by Nuvilex to ASPL for their's, has enabled our companies to work on specific areas nonetheless. Our teams have been working for more than a year across a number of important development areas for our company, most of which have been related to researching, testing, developing, coordinating and planning for the Company's future. As a result, and in conjunction with maintenance of the Parent Company, the substantial funding provided to ASPL and its personnel have been to ensure ASPL's functionality and maintain its ability to complete goals over the past year. It is clear that management and staff of ASPL are extremely qualified and dedicated to achieving their mission. Thus, our combined first vision and successful accomplishment was the acquisition of ASPL as our newest subsidiary in June 2012 and is seen as one of the most valuable advances for this company over the past year, clearly establishing the creation of Nuvilex as a biotechnology/life technology/pharmaceutical company.

Thus, through the funding and our combined efforts, Nuvilex exists today as a Biotechnology Company with a broad company base, much like that of larger biotechnology or pharmaceutical companies after years of advances and purchasing of products from other companies. In addition, great advances were afforded to Nuvilex over the past year by companies supportive of the Nuvilex vision through elimination of debt remaining on its books, thereby stabilizing its financial condition, for which Nuvilex is grateful. Thus, with an overall strategy and goal of long-term growth, Nuvilex is poised to be thrust into a new position.

Management believes its vision to become an important industry-leading Biotechnology company, with a multi-part strategy like those of larger pharmaceutical companies, will strengthen the Company's position in both the short and long term. Notwithstanding and as financial experts indicate, Nuvilex may seek capital to fund growth and provide its working capital needs as the vision of the company is executed. The Company's efforts to achieve financial stability and enable the strategy of the company to be seen to fruition include several primary components:

1. Acquire sufficient capital to complete the acquisition of Austrianova Singapore.
2. Continue elimination of prior operation-associated debt from the Parent Company and all subsidiaries;
3. Advance and develop biotechnology and pharmaceutical avenues through acquisition, research and development;
4. Develop and expand use of the encapsulation biotechnology already in-house through its ASPL subsidiary;
5. Further develop uses of the technology platform through contracts, licensing, and joint ventures with other companies;
6. Complete testing, Expand, and Market existing and newly derived Company products and their uses.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

Unaudited Financial Statements

The accompanying unaudited consolidated financial statements have been prepared in accordance with US GAAP, for interim financial information and pursuant to the instructions to Form 10-Q and Article 10 of Regulation S-X. While these statements reflect all normal recurring adjustments which are, in the opinion of management, necessary for fair presentation of the results of the interim period, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The unaudited interim financial statements should be read in conjunction with the Company's annual report on Form 10-K, which contains the audited financial statements and notes thereto, together with Management's Discussion and Analysis, for the fiscal year ended April 30, 2012. The interim results for the nine months ended January 31, 2013 are not necessarily indicative of the results for the full fiscal year.

Management further acknowledges it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that transactions are recorded and valid and in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

Principles of Consolidation

The consolidated financial statements include the accounts of Nuvilex, Inc. and its subsidiaries: MedElite, Inc., Nuvilex GmbH, Berlin, Freedom-2 Holdings, Inc, Freedom-2, Inc. All significant inter-company balances and transactions have been eliminated in consolidation.

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. There were no cash equivalents as of January 31, 2013 or April 30, 2012.

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; market is based upon estimated replacement costs.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires 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

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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 as of January 31, 2013 and April 30, 2012.

- 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, accounts payable and accrued expenses, as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments.

As of January 31, 2013 and April 30, 2012 the Company has recorded several of its assets and liabilities at fair value. The building or "Settlement Obligation Asset" (Note 11) was written down in the last quarter of fiscal 2010 to its fair value based upon a pending sale agreement. Although the agreement was not finalized it established the current market value for the property. In Jan-March 2009, through the acquisition of another company the Company acquired certain debt. As part of the acquisition, these were evaluated by a third party and valued at fair value at the time they were recorded. As a result of this the Company is amortizing the associated discount and premium for two of the liabilities.

Recent accounting pronouncements

In October 2012, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2012-04, "Technical Corrections and Improvements" in Accounting Standards Update No. 2012-04. The amendments in this update cover a wide range of Topics in the Accounting Standards Codification. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will be effective for fiscal periods beginning after December 15, 2012. The adoption of ASU 2012-04 is not expected to have a material impact on our financial position or results of operations.

In August 2012, the FASB issued ASU 2012-03, "Technical Amendments and Corrections to SEC Sections: Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin (SAB) No. 114, Technical Amendments Pursuant to SEC Release No. 33-9250, and Corrections Related to FASB Accounting Standards Update 2010-22 (SEC Update)" in Accounting Standards Update No. 2012-03. This update amends various SEC paragraphs pursuant to the issuance of SAB No. 114. The adoption of ASU 2012-03 is not expected to have a material impact on our financial position or results of operations.

In July 2012, the FASB issued ASU 2012-02, "Intangibles -Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment" in Accounting Standards Update No. 2012-02. This update amends ASU 2011-08, Intangibles -Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment and permits an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test in accordance with Subtopic 350-30, Intangibles -Goodwill and Other -General Intangibles Other than Goodwill. The amendments are effective for annual and interim impairment tests performed for fiscal years beginning after

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September 15, 2012. Early adoption is permitted, including for annual and interim impairment tests performed as of a date before July 27, 2012, if a public entity's financial statements for the most recent annual or interim period have not yet been issued or, for nonpublic entities, have not yet been made available for issuance. The adoption of ASU 2012-02 is not expected to have a material impact on our financial position or results of operations.

In September 2011 the Accounting Standards Update No. 2011-8, Intangibles - Goodwill and Other (Topic 350): Testing Goodwill for impairment. This ASU's objective is to simplify the process of performing impairment testing for Goodwill. With this update a company is allowed to assess qualitative factors, first, to determine if it is more likely than not (greater than 50%) that the FV is less than the carrying amount. This would be done, prior to performing the two-step goodwill impairment testing, as prescribed by Topic 350. Prior to this ASU, all entities were required to test, annually, their good will for impairment by Step 1 - comparing the FV to the carrying amount, and if impaired, then step 2 - calculate and recognize the impairment. Therefore, the fair value measurement is not required, until the "more likely than not" reasonableness test is concluded. Effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011.

In May 2011, FASB issued Accounting Standards Update No. 2011-4, Fair Value Measurement (Topic 820): *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. This ASU clarifies the board's intent of current guidance, modifies and changes certain guidance and principles, and adds additional disclosure requirements concerning the 3 levels of fair value measurements. Specific amendments are applied to FASB ASC 820-10-35, Subsequent Measurement and FASB ASC 820-10-50, Disclosures. This ASU is effective for interim and annual periods beginning after December 15, 2011.

In June 2011, FASB issued Accounting Standards Update No. 2011-5, Comprehensive Income (Topic 220): *Presentation of Comprehensive Income*. - ASU 2011-5. Current US GAAP allows companies to present the components of comprehensive income as a part of the statement of changes in stockholders' equity. This ASU eliminates that option. In this Update, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. In both choices, an entity is required to present each component of net income along with total net income, each component of other comprehensive income along with a total for other comprehensive income, and a total amount for comprehensive income. This ASU is effective interim and annual periods beginning after December 15, 2011. This ASU should be applied retrospectively. There are no specific transition disclosures.

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 or invoicing and shipment of products.

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 carry forwards 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 quarter ended January 31, 2013 or the year ended April 30, 2012. 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 the carry forwards may expire unused, although acquisition of sufficient operating capital to complete the acquisition of all of the assets of SG Austria may change this. 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.

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.

Reclassifications

Certain items in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current period's presentation. These reclassifications have no effect on the previously reported income (loss).

NOTE 4 – ACCOUNTS RECEIVABLE

The Company recognized receivables predominately on sales of its Cinnergen product, which, in order to save limited capital, is presently not available for purchase. As of January 31, 2013 all receivables have either been collected or written off to bad debt expense.

NOTE 5 – ASSET PURCHASE

On June 21, 2012, Nuvilex, purchased 100% of the shares of ASPL in exchange for 100,000,000 shares of restricted Nuvilex common stock. A copy of the final Asset Purchase Agreement, dated May 26, 2011, was attached as Exhibit 2.1 on the Company's Form 10-K for the fiscal year ended April 30, 2012.

Under the terms of the Asset Purchase Agreement, the Nuvilex and ASPL shares are held in escrow until the completion of Nuvilex's financing obligations and are therefore not reflected in the number of shares issued and outstanding (see Note 9). The Asset Purchase Agreement, as amended, provides that Nuvilex will fund future ASPL operations in the amount of \$2.5 million with a target date to complete the funding by December 31, 2012. Nuvilex will continue current funding of \$60,000 monthly in operating capital until the overall funding is completed. Since then, Nuvilex and ASPL have agreed to continue their relationship and extended their contract through the first quarter 2013.

The shares for both ASPL and Nuvilex are being held in escrow and are therefore not reflected in the financial statements. This is due to the potential unwinding of the agreement in the event that Nuvilex is unable to satisfy the Asset Purchase Agreement requirements including monthly maintenance payments or the \$2.5 million minimum financing requirement.

NOTE 6 - INVENTORY

On January 31, 2013 and April 30, 2012, inventory consisted of \$0 and \$6,846, 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 7 - FIXED ASSETS

Fixed assets consisted of the following:

	January 31, 2013	April 30, 2012
Computers	\$ 23,664	\$ 23,664
Furniture and fixtures	—	—
Lab equipment	—	—
	<hr/>	<hr/>
Less: accumulated depreciation	(23,664)	(23,664)
	<hr/> <u>\$ —</u>	<hr/> <u>\$ —</u>

Depreciation expense for the nine months ended January 31, 2013 and April 30, 2012 was \$0 and \$24,659, respectively.

NOTE 8 – DEBT

As of January 31, 2013, the company owed \$20,000 plus accrued interest to Dr. Ryan. The note accrues interest at 8% per annum and is past due.

As of January 31, 2013, the Company had an obligation to pay \$400,000 in licensing fees for a licensing agreement that was terminated in 2009. The debt is presently under negotiation for settlement.

During the period ended January 31, 2012, the Company settled various accounts payable with the issuance of common stock. In total over \$171,000 of debt was settled. As a result of those settlements the Company recorded a gain of \$111,968.

During the year ended April 30, 2012, the Company settled various debts with a combination of cash payments and the issuance of common stock. In total over \$500,000 debt was settled. As a result of those settlements the Company recorded a gain of \$370,619.

NOTE 9 - COMMON STOCK TRANSACTIONS

During the year ended April 30, 2012, 23,575,000 shares of common stock were issued to officers of the Company for compensation. Shares were valued using the closing stock price on the day of issuance for a total expense of \$1,160,880.

During the year ended April 30, 2012, 8,550,000 shares of common stock were issued for various services. Shares were valued using the closing stock price on the day of issuance for a total expense of \$409,400.

During the year ended April 30, 2012, 9,250,000 shares of common stock were issued in exchange for \$600,000 in cash advances to the Company. In addition, another 1,650,000 shares were issued as incentive for providing the cash advances to the Company. These additional shares were value at \$101,750 and charged to interest expense

During the year ended April 30, 2012, 1,025,000 shares of common stock were issued to settle various debts. The shares were valued using the closing stock price on the day of issuance for a total expense of \$55,725.

During the period ended January 31, 2013, 4,400,000 shares of common stock were issued for various services. Shares were valued using the closing stock price on the day of issuance for a total expense of \$195,000.

During the period ended January 31, 2013, 3,592,656 shares of common stock were issued to settle various debts. The shares were valued using the closing stock price on the day of issuance for a total expense of \$143,596.

During the period ended January 31, 2013, 9,898,334 shares of common stock were issued to officers of the Company for compensation. Shares were valued using the closing stock price on the day of issuance for a total expense of \$440,396.

During the quarter ended July 31, 2012, the Company issued 100,000,000 shares of restricted common stock to Austrianova Singapore Pte. Ltd. (ASPL). Under the terms of the Asset Purchase Agreement, the shares are held in escrow until the completion of Nuvilex's financing obligations (refer to Note 5). The shares for both ASPL and Nuvilex are being held in escrow and are therefore not reflected in the financial statements: this is due to the potential unwinding of the agreement in shares in the event Nuvilex is unable to satisfy the Asset Purchase Agreement requirements including monthly maintenance payments or the \$2.5 million minimum financing requirement. Subsequently, Nuvilex and ASPL have agreed to continue their relationship and extended their contract through the first quarter 2013.

During the second and third quarters the company issued 23,758,640 shares of common stock for \$742,458 proceeds sold through the Company's Private Placement Memorandum and \$57,133 of related interest expense.

All shares were issued without registration under the Securities Act of 1933, as amended, in reliance upon the exemption afforded by Section 4(2) of that Act. No underwriters were involved.

NOTE 10 - PREFERRED 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; therefore, the holder of the preferred stock can effectively increase the Company issued Common Stock shares without a vote of the Common Stock shareholders thus enabling any potential shortfall of authorized common shares outstanding from being covered should the Preferred Stockholders wish to convert.

On March 1, 2011, the Company issued 3,500 shares of preferred stock to a shareholder for an \$80,000 loan that was made to the company. Based on prior year issuance of preferred stock, the original valuation was \$50.00/share and since the valuation of the preferred stock for this loan was set to \$80,000 per 3,500 shares or \$22.86/share, the Company has recorded a loss on conversion of debt of \$95,000 for year ending April 30, 2011.

The average Closing Bid Price at April 30, 2011 was \$0.03. Based on the Series E Preferred Stock provisions, if converted on April 30, 2011, the outstanding 3,500 Series E Preferred Shares would have converted into 2,666,667 shares of the Company's common stock.

Under the terms of the Series E Stock Certificate, the holders have specific rights to be paid in cash out of the assets of the Company prior to any junior class shares. As a result of the obligations for Series E preferred shares, the Company has determined these redemption features have the potential to be outside the control of the Company, and accordingly, the Company has classified the Series E shares outside of shareholder's equity in accordance with ASC 480 regarding instruments with debt and equity features. Thus, the full value for the convertible Preferred Stock was recorded outside of stockholders' equity in the accompanying consolidated balance sheet.

NOTE 11 - PRIVATE PLACEMENT MEMORANDUM

The Company initiated a Private Placement Memorandum offering investment units to purchase shares of Nuvilex common stock at \$50,000 per unit. The offering is being made to raise \$3,500,000 to \$5,000,000. Each unit consists of 1,600,000 shares of common stock, one Class A Warrant, one Class B Warrant, and one Class C Warrant. Each warrant can purchase half of the number of shares purchased by the investor.

NOTE 12 - WARRANTS

A summary of the status of the Company's outstanding stock warrants as of January 31, 2013 and April 30, 2012 and changes during the periods is presented below:

	Warrants	Weighted Average Price	Weighted Average Fair Value
Outstanding, April 30, 2012	—	\$ —	\$ —
Issued	35,637,960	0.125	0.038
Outstanding, January 31, 2013	35,637,960	0.125	0.038
Exercisable, January 31, 2013	—	—	—
	Range of Exercise Prices	Number Outstanding at 1/31/13	Weighted Average Remaining Contractual Life
	\$0.075 - \$0.18	35,637,960	5
			Weighted Average Exercise Price
			\$ 0.125

NOTE 13 – LEGAL PROCEEDINGS

In July 2011 a claim was filed by Cornerstone Bank (“Cornerstone”) against Freedom-2, Inc., a wholly owned subsidiary of the Company, for amounts due under a promissory note (the “Note”), in the original principal amount of \$1.6 million (collectively the “Obligations”). The bank also sought to foreclose its mortgage on the property securing the Note, which is located in Cherry Hill, New Jersey (the “Property”). Given the passage of time and the Company having made no payments toward the Obligations for several years, as of May 2012, the amount due was approximately \$2.0 million.

The Company has resolved all matters related to Cornerstone’s claims (the “Settlement”) and has performed its Obligations thereunder as follows: (i) the parties stipulated to judgment in the amount of the Obligations, as defined in the Settlement (\$1,975,889, as of May 16, 2012, with interest on the judgment amount to accrue at the contract rate of 7.75% per annum) with a stay of execution for 2 years pending the Company satisfying the Obligations in any of several ways, including direct payments of cash and discounts of up to 30% for early payments, or a combination thereof; (ii) the Company conveys the Property to Cornerstone, which will sell the Property and apply the net proceeds to reduce the Obligations (in the event the Property is not sold and the Obligations satisfied as otherwise described herein, the Property will be reconveyed to the Company); and (iii) the Company reaffirms the pledge of 14,605,614 shares of the Company’s common stock as security for payment of the Obligations (the “Stock Collateral”), which can be liquidated by Cornerstone from time to time in accordance with a SEC Rule 10b5-1 plan, with the proceeds being applied to reduce the Obligations and with any excess Stock Collateral being returned to the Company upon payment of the Obligations in full.

When the property is sold and any and all remaining payments, if any, are made by Nuvilex directly or through liquidation of the transferred stock collateral sold over time, they will be used to eliminate the Obligations. As neither the property nor the collateral stock has been sold and until such time as they have, the assets and liabilities will continue to be reported within the financial statements. The name of the asset is “Settlement Obligation Asset” and the liabilities are termed “Settlement Obligation Liabilities.” All assets and amounts due under the Settlement, including the building, principal, interest and all applicable fees are therefore fully reported herein.

NOTE 14 - RELATED PARTY TRANSACTIONS

During the period ended January 31, 2013 and the year ended April 30, 2012 a shareholder loaned the Company a total of \$368,058 and \$337,408, respectively for operating expenses. All loans bear interest at 6% and are due within one to three years.

As of January 31, 2013 and April 30, 2012, the Company owed a Director and shareholder \$22,700; the loan accrues interest at 8% and is due on demand.

As of January 31, 2013, Dr. Robert Ryan, CEO, loaned the Company \$216,723, at 8% interest, to provide for payment of operating expenses.

During the year ended April 30, 2012 three shareholders advanced \$600,000 to the company. These funds were repaid with the issuance of 9,250,000 shares of common stock and an additional 1,650,000 shares as an incentive for making the advances.

NOTE 15 - SUBSEQUENT EVENTS

The Company has performed an evaluation of subsequent events in accordance with ASC Topic 855, noting no additional subsequent events other than those noted below.

Subsequent to January 31, 2013, the Company granted 1,840,000 shares of common stock for services.

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Subsequent to January 31, 2013, the Company and SG Austria mutually agreed to continue and extend the current agreement and its terms through the second quarter of 2013.

Subsequent to January 31, 2013, the Company received \$62,500 in conjunction with its Private Placement Memorandum.

On February 11, 2013, Medical Marijuana Sciences, Inc. (“MMS”), was incorporated in the State of Nevada and became a wholly-owned subsidiary of the Company. MMS will conduct research and development for the treatment of diseases using compounds derived from the plant *Cannabis sativa*.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2013 AND 2012

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."

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JANUARY 31, 2013 AND 2012

REVENUES

The report on the revenue indicates a net loss from operations for the three months ending January 31, 2013 compared to 2012 decreasing \$69,143 from \$409,983 to \$340,840 as a result of multiple factors. These factors included the decision by management to cease the spending of critical funds to maintain product sales below their actual cost even though product sales continued in the absence of substantial marketing efforts and instead to commit all of the Company's funds to maintain the Parent Company and its new subsidiary, ASPL, in order to complete the acquisition of the latter.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

The overall general and administrative expenses during the three months ended January 31, 2013 compared to the three months ended January 31, 2012, increased \$80,815 to \$120,910 from \$40,095 in the prior period. Importantly, the total operating expenses decreased during the three months ended January 31, 2013 to \$340,840 compared to \$428,043 from the same period ending January 31, 2012, much of which were a result of decreased marketing expenses.

For the three months ended January 31, 2013 compensation expense decreased \$281,947 to \$114,529 from \$396,476 for the same period in the prior year. The decrease is a result of an overall lowering of share price for those shares being issued to officers for compensation.

During the three months ended January 31, 2013, there was an increase in the net loss of \$105,064 to \$376,843 compared to \$271,779 in the prior period. During the same period in the prior year the Company recorded a \$173,960 gain on settlement of debt. In the current three month period a gain on settlement of debt of only \$6,979 was recorded.

LIQUIDITY AND CAPITAL RESOURCES

By adjusting the Company's operations and through bridge financing being provided by new investors and existing shareholders, has been able to maintain sufficient capital resources to meet projected cash flow needs. Failure by the Company to generate sufficient liquidity from operations or in raising sufficient capital resources on acceptable terms may have a materially adverse effect on the Company's business, results of operations, liquidity and financial condition.

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

RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED JANUARY 31, 2013 AND 2012

SALES

The report on the revenue indicates a decrease in the net loss from operations for the nine months ending January 31, 2012 compared to 2013 \$237,137 from \$1,466,312 to \$1,229,175. Although product sales continued through the second quarter, the decrease is in part due to a decreased loss from lowered revenue returns from specific vendors whose low retail prices were causing revenue loss to the Parent Company in conjunction with few funds for marketing since the majority of funds were directed toward the ongoing acquisition.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

During the nine months ended January 31, 2013, sales and marketing expenses decreased \$33,567 to \$95,163 from \$128,730 in the prior period. This decrease can be attributed to the completion of a lowered Internet expense this year and a general decrease in sales and marketing expenses. The overall general and administrative expenses during the nine months ended January 31, 2013 compared to the nine months ended January 31, 2012, increased \$129,401 to \$418,548 in the current period. The increase can be largely attributed to an increase in costs incurred for auditing and investor relations. Importantly, the total operating expenses decreased during the nine months ended January 31, 2013 to \$1,231,715 compared to \$1,502,267 from the same period ending January 31, 2012.

For the nine months ended January 31, 2013 compensation expense decreased \$564,397 to \$460,406 from \$1,024,803 for the same period in the prior year. The decrease is primarily a result of a decrease in the stock price.

During the nine months ended January 31, 2013, there was a decrease in the net loss of \$124,020 to \$1,270,929 compared to \$1,394,949 in the prior period. The decrease was primarily due to the decrease in sales and marketing and compensation expenses.

LIQUIDITY AND CAPITAL RESOURCES

By adjusting the Company's operations and through bridge financing being provided by interested investors and shareholders, management continues to maintain sufficient capital resources to meet projected cash flow needs. Failure by the Company to generate sufficient liquidity from operations or in raising sufficient capital resources on acceptable terms may have a materially adverse effect on the Company's business, results of operations, liquidity and financial condition.

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 4. 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 because 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.

In connection with the preparation of this Quarterly Report on Form 10-Q for the quarter ended January 31, 2013, management, with the participation of our Chief Executive Officer/Chief Financial Officer, and Chief Operating Officer, have evaluated the effectiveness of our internal controls over financial reporting, pursuant to Rule 13a-15 under the Exchange Act, as of January 31, 2013 in order to determine the potential for or the existence of material weaknesses, defined as a deficiency, or a combination of deficiencies, in internal control over financial reporting. Management has adopted policies during the past year in an effort to remedy any such weaknesses, yet insufficient time has elapsed and our operations have changed in the interim such as to prevent us from fully testing these policies and procedures. Therefore, management believes the Company continues to have a material weakness of elements of its internal control over financial reporting. The following aspects of the Company were noted as potential material weaknesses:

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1. Management has initiated and communicated with personnel throughout the company and its subsidiaries in order to institute fully developed accounting policies and procedures sufficient to ensure complete compliance with internal controls.
2. A new computer capability was implemented and is now in the process of being fully implemented. Although this form of internal control has not been fully completed, mostly due to the present status of the acquisition, it does enable cross-assessment and full integration of activities across the company thereby ensuring passage of all written documents, contract, agreements and all financial arrangements in a timely manner. This is a portion of our COSO designed internal framework and enables multiple points of assessments from multiple standpoints. Although challenges remain due to the present size and staffing of Nuvilex and its subsidiaries, this system enables the Board and Management access to critical information and financial data to provide critical internal control capabilities.
3. No present Director from the Board of Directors qualifies as an Audit Committee Financial expert as defined in Item 407(d)(5) (ii) of Regulation S-B. At present, there are individuals who are being considered to fill this important function through their capabilities in these areas.
4. Our Chairman and Board have been actively participating in control activities to enhance our compliance.

Since some material weaknesses may still exist, Management concludes that the Company's internal controls and procedures over financial reporting are not effective as of January 31, 2013. This is based on the criteria established in "Internal Control-Integrated Framework" issued by the COSO, criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework.

Changes in Internal Control

During the nine months ended January 31, 2013 there were substantial changes in our internal control over financial reporting (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) that materially affected, or are reasonably likely to materially affect our internal control over financial reporting making it closer to full compliance.

Ongoing Remediation of Material Weakness

Management continues to follow initiated measures including: 1) random and complete assessment of all financial expenditures and contracts, 2) utilization of its newly instituted cloud computing capabilities, and 3) assessing books and records and making certain they are accurately and timely recorded to eliminate potential material weaknesses. Management is working with the Chairman and Board to closely monitor the effectiveness over financial reporting as a result of these activities and believes these actions have already improved internal control over financial reporting as well as our disclosure controls and procedures. The Company is presently instituting additional systems and intends to be able to report our internal control over financial and disclosure controls and procedures will be effective as of April 30, 2013.

Nonetheless, a control system, no matter how well planned and carried out, will always be vulnerable and provides only reasonable, not absolute, assurance that the objectives of the internal control system are met. Because of inherent limitations of any internal control system, no evaluation of controls can provide absolute assurance all control issues within a company have or can be detected.

PART II - OTHER INFORMATION
ITEM 1. LEGAL PROCEEDINGS.

In July 2011 a claim was filed by Cornerstone Bank (“Cornerstone”) against Freedom-2, Inc., a wholly owned subsidiary of the Company, for amounts due under a promissory note (the “Note”), in the original principal amount of \$1.6 million (collectively the “Obligations”). The bank also sought to foreclose its mortgage on the property securing the Note, which is located in Cherry Hill, New Jersey (the “Property”). Given the passage of time and the Company having made no payments toward the Obligations for several years, as of May 2012, the amount due was approximately \$2.0 million.

The Company has resolved all matters related to Cornerstone’s claims (the “Settlement”) and has performed its Obligations thereunder as follows: (i) the parties stipulated to judgment in the amount of the Obligations, as defined in the Settlement (\$1,975,889, as of May 16, 2012, with interest on the judgment amount to accrue at the contract rate of 7.75% per annum) with a stay of execution for 2 years pending the Company satisfying the Obligations in any of several ways, including direct payments of cash and discounts of up to 30% for early payments, or a combination thereof; (ii) the Company conveys the Property to Cornerstone, which will sell the Property and apply the net proceeds to reduce the Obligations (in the event the Property is not sold and the Obligations satisfied as otherwise described herein, the Property will be reconveyed to the Company); and (iii) the Company reaffirms the pledge of 14,605,614 shares of the Company’s common stock as security for payment of the Obligations (the “Stock Collateral”), which can be liquidated by Cornerstone from time to time in accordance with a SEC Rule 10b5-1 plan, with the proceeds being applied to reduce the Obligations and with any excess Stock Collateral being returned to the Company upon payment of the Obligations in full.

When the property is sold and any and all remaining payments, if any, are made by Nuvilex directly or through liquidation of the transferred stock collateral sold over time, they will be used to eliminate the Obligations. As neither the property nor the collateral stock has been sold and until such time as they have, the assets and liabilities will continue to be reported within the financial statements. The name of the asset is “Settlement Obligation Asset” and the liabilities are termed “Settlement Obligation Liabilities.” All assets and amounts due under the Settlement, including the building, principal, interest and all applicable fees are therefore fully reported herein.

ITEM 1A. RISK FACTORS

Investors should carefully consider the risk factors listed herein that may affect future results, together with all of the other information included in this Form 10-Q, in evaluating the business and the Company. The risks and uncertainties described below are those that the Company currently believes may materially affect its business and results of its operations. Additional risks and uncertainties that Nuvilex is unaware of or that it currently deems immaterial also may become important factors that affect its business and results of its operations. 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.

In addition, investors should carefully consider these risks when they read "forward-looking" statements elsewhere in this Form 10-Q. These are statements that relate to the Company's expectations for future events and time periods. Generally, the words "anticipate," "expect," "intend," and similar expressions identify forward-looking statements. Forward-looking statements involve risks and uncertainties, and future events and circumstances could differ significantly from those anticipated in the forward-looking statements.

Doubt Regarding Ability to Continue as a Going Concern

Nuvilex's financial statements have been presented that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has minimal revenues and incurred net operating losses as of January 31, 2013. 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 may not be able to determine if the Company will ever be profitable. Nuvilex may 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.

Need for Future Capital: Long-Term Viability of Company

As a result of Nuvilex's limited operating history; the Company is currently unable to accurately forecast its revenues. Current and future expense levels are based largely on the Company's marketing and development plans and estimates of future revenue. Sales and operating results generally depend on volume and timing of orders and on the Company's ability to fulfill such orders, both of which are difficult to forecast. 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 material 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) ability to obtain and retain customers, (ii) attract new customers at a steady rate and maintain customer satisfaction with products, (iii) the announcement or introduction of new services by Nuvilex or its competitors, (iv) price competition, (v) the level of use and consumer acceptance of its products, (vi) the amount and timing of operating costs and capital expenditures relating to expansion of the business, operations and infrastructure, (vii) governmental regulations, and (viii) general economic conditions.

Unpredictability of Future Revenues: Potential Fluctuations in Operating Results

As a result of Nuvilex's limited operating history; the Company is currently unable to accurately forecast its revenues. Current and future expense levels are based largely on the Company's marketing and development plans and estimates of future revenue. Sales and operating results generally depend on volume and timing of orders and on the Company's ability to fulfill such orders, both of which are difficult to forecast. 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 material adverse effect on its business, prospects, financial condition and results of operations.

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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 flaws or defects will not be found in Nuvilex products and if found, could have a materially adverse effect upon 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 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 may have the potential to 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 in the past and may continue to fluctuate in the future. The Company believes such fluctuations will continue as a result of many factors, including US and World markets, financing plans, future announcements concerning the Company, the Company's competitors, 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 depends significantly on 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 may be adversely affected by negative macroeconomic factors affecting consumer spending. Substantial tightening of consumer credit, low 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 operations.

Dependence on Sales through Retailers and Distributors

The Company's business that depends significantly upon sales through retailers and distributors may be affected if the Company's retailers and distributors are not successful. As a result, 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 could harm the Company's business, financial condition and operations.

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

Under Nuvilex's business plan, significant and material matters of business must be conducted and concluded in a timely fashion. The execution of the Company's business plan places a significant strain on the Company's management while providing little or no immediate compensation.

There can be no assurance that Nuvilex's planned personnel, systems, procedures and controls will be adequate to support its future operations, management will be able to hire, train, retain, motivate and manage personnel or that its 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 adversely affected. Nonetheless, management for Nuvilex and ASPL are working together to acquire the training and expertise as well as create the necessary internal controls for financial reporting.

Competition

The market in which Nuvilex competes is highly competitive, and the Company has no assurance it will be able to compete effectively, especially against established industry competitors with significantly greater financial resources. The Company expects it may face competition from a few competitors with potentially greater financial resources, well-established brand names and large, pre-existing customer bases. As a consequence of the research efforts underway in so many countries around the world, Nuvilex expects the level of competition may intensify in the future.

Dependence on Management

Nuvilex's performance will be substantially dependent on continued services and 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. Nuvilex's inability to retain its executive officers or other key employees could have a material adverse effect on the Company's business, prospects, financial condition and results of operations. The Company's future success depends to a great extent 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 can be intense and there is no assurance 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 material 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 adversely affected. Nuvilex's brand awareness efforts have required, and will most likely continue to require additional expenditures.

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 intellectual property (IP) rights. Despite efforts to safeguard and maintain Nuvilex's proprietary rights, there can be no assurance the Company will be successful in doing so or its competitors will not independently develop products that are substantially equivalent or superior.

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.

Protecting or defending the Company's IP rights, to protect trade secrets, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement or invalidity may require litigation. 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' 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 material adverse effect on the Company's financial condition and operating results.

Federal, State, Local and Foreign Laws and Regulations

For some of research, development and products the Company is working on, there is potential they may be subject to laws and regulations enforced by the FDA, DEA, USDA, EPA, the CDHS, foreign health authorities and other regulatory bodies throughout the world and 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. Furthermore, some of the Company's past research, product development and manufacturing activities have involved the controlled use of hazardous materials and the Company may incur costs as a result of the need to comply with these laws and regulations.

Penny Stock Regulation

The Company's securities sold as part of financing provided to the Company 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, the latter of which are generally people with assets in excess of \$1,000,000 or annual income exceeding \$200,000 individually or \$300,000 jointly. For transactions covered by these rules, the Company and/or 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 must also 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. Therefore the challenge for the Company is that the market price of the Company's common stock may not reach or remain at such a level.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

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.

Exhibit No.	Description	Location
2.1	Asset Purchase Agreement, dated August 24, 2005, between the Company and Mark Tagatz.	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.
2.5	Share Exchange Agreement, dated May 26, 2011 between the Company and SG Austria Private Limited.	Incorporated by reference from the Company's Current Report on Form 10-Q filed with the SEC on September 14, 2011.
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.

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Exhibit No.	Description	Location
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.
101	Interactive Data Files for Nuvilex, Inc. Form 10-Q for the period ended January 31, 2012	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.

March 25, 2013 By: /s/ Robert F. Ryan
Robert F. Ryan, M.S., Ph.D.
President, Chief Executive Officer and Interim Chief Financial Officer
(Principal Executive Officer On behalf of the Registrant)

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.

March 25, 2013 By: /s/ Patricia Gruden
Patricia Gruden, Chairman of the Board of Directors

March 25, 2013 By: /s/ Robert Bowker
Robert Bowker, Director

March 25, 2013 By: /s/ Richard Goldfarb
Richard Goldfarb, M.D., FACS, Director

March 25, 2013 By: /s/ Timothy Matula
Timothy Matula, Director