

**AERIUS INTERNATIONAL INC.
ANNUAL REPORT**

December 31, 2011

Aerius International, Inc. (the "Company" or "Issuer") is responsible for the content of this information statement. To the knowledge of the Company the information is correct and no material circumstances have been omitted. The information contained in this report is in draft format and has not been filed with the Securities and Exchange Commission, the National Association of Securities Dealers, or any other regulatory body.

The Issuer has duly caused this report to be signed on its behalf by the undersigned, duly authorized on this 31st day of December 2011.

N.N. Luxon
President and CEO
Aerius International, Inc.

All information contained in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c-211(a) (5) promulgated under the Securities Exchange Act of 1934, as amended.

Item I Exact name of the issuer and the address of its principal executive offices

Aerius International, Inc.
(Formerly Cybervegas.com, amended to Aerius International, Inc. on October 31, 2007)

Aerius International, Inc.
7500 West Lake Mead Blvd
Suite 9-310
Las Vegas, Nevada 89128
Phone: 866-412-9800
Fax: 866-412-5300
<http://www.goaerius.com>

N.N. ("Bill") Luxon, the company's President and Chief Executive Officer, is the person responsible for the company's investor relations. Mr. Luxon's contact information is as follows:

Phone Number: 866-312-9800
Email Address: bluxon@goaerius.com
Mailing Address: 7500 West Lake Mead Blvd
 Suite 9-310
 Las Vegas, Nevada 89128

Item II Shares outstanding

(i) *Period end date:*

December 31, 2011

(ii) *Number of shares authorized:*

100,000,000 shares of common stock

10,000,000 shares of preferred stock

(iii) *Number of shares outstanding:*

Common Stock: 126,874,830

Preferred Stock: 5,000,000

(iv) *Freely tradable shares (public float):*

57,914,244

(v) *Total number of beneficial shareholders:*

59

(vi) *Total number of shareholders of record:*

67

Item III Interim financial statements

The company's Balance Sheet, Profit & Loss Statement, Statement of Cash Flows, Statement of Shareholders' Equity and Notes to Financial Statements for the year ended December 31, 2011 are attached to this Year End Statement as Exhibits A-1 through A-5, respectively, and are incorporated herein by this reference.

Item IV Management's discussion and analysis or plan of operation

A. Plan of Operation

1. The Company's plan of operation for the next twelve months
 - I. The development of the Company's product is complete. Any immediate research and development costs will be minimal.
 - II. The Company does not expect to purchase or sell any plant or significant equipment.
 - III. No significant changes in the number of employees, aside from commissioned sales representatives, are expected in the foreseeable future.

B. Off-Balance Sheet Arrangements

The Company currently does not have any known off-balance sheet arrangements, as defined in the guidelines.

Item V Legal Proceedings

None.

Item VI Defaults upon senior securities

None.

Item VII Other information

None.

Item VIII Exhibits

None.

Item IX Certifications

I, N. N. Luxon, certify that:

1. I have reviewed this annual disclosure Statement of Aerius International, Inc.;
2. Based on my knowledge, this Disclosure statement 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 disclosure statement; and
3. Based on my Knowledge, the financial statements, and other financial Information included or incorporated by reference in this Disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this disclosure Statement.

Date: December 31, 2011

A handwritten signature in black ink, appearing to be 'N. N. Luxon', written over a horizontal line.

Chief Executive Officer

EXHIBIT A-1
BALANCE SHEET
(For the Twelve Months Ended December 31, 2011)

AERIUS INTERNATIONAL, INC.
(A Development Stage Company)

BALANCE SHEET

As of December 31, 2011

(Unaudited)

ASSETS

Current Assets

Checking/Savings

Aerius LTD Checking \$ 383

Aerius LTD Saving II 65

Total Checking/Savings 448

Other Current Assets

Loan to Shareholder 111,601

Start Up Costs in Dev Stage 2,406,619

Total Other Current Assets 2,518,220

Total Current Assets 2,518,667

Other Assets

Intellectual Property Patent 12,232

Total Other Assets 12,232

TOTAL ASSETS 2,530,899

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Notes payable to Shareholder 2,017

Total Other Current Liabilities 2,017

Total Current Liabilities 2,017

Long Term Liabilities

Convertible Note 3,204,399

Total Long Term Liabilities 3,204,399

Total Liabilities 3,206,416

Equity

Capital Stock 456,400

Additional Paid-In Capital 464,562

Accumulated Deficit (1,448,498)

Net Income (147,981)

Total Equity (675,517)

TOTAL LIABILITIES & EQUITY \$ 2,530,899

EXHIBIT A-2
PROFIT & LOSS STATEMENT
(For the 12 Months ended December 31, 2011)

AERIUS INTERNATIONAL, INC.
(A Development Stage Company)

PROFIT & LOSS

For the Twelve Months Ended December 31, 2011
(Unaudited)

Ordinary Income/Expense		
Expense		
Auto	\$	5,202
Bank Charges		373
Computer Expense		135
Cost of Goods		27,313
Dues & Subscriptions		129
Legal & Professional Fees		35,381
Office Expense		802
Outside Services/Contract Labor		62,616
Postage & Shipping		1,032
Rent		420
Telephone		968
Travel		13,615
Total Expense		<u>147,988</u>
Net Ordinary Income		<u>(147,988)</u>
Other Income/Expense		
Other Income		
Interest Income		7
Total Other Income		<u>7</u>
Net Other Income		<u>7</u>
Net Income	\$	<u>(147,981)</u>

EXHIBIT A-3
STATEMENT OF CASH FLOWS
(For the Twelve Months Ended December 31, 2011)

AERIUS INTERNATIONAL, INC.
(A Development Stage Company)
STATEMENT OF CASH FLOWS
For the Twelve Months Ended December 31, 2011
(Unaudited)

OPERATING ACTIVITIES	
Net Income	\$ (147,981)
Adjustments to reconcile Net Income to net cash provided by operations:	
Notes payable to Shareholder	(81,388)
Net cash provided by Operating Activities	<u>(229,369)</u>
FINANCING ACTIVITIES	
Capital Stock	292,105
Net cash provided by Financing Activities	<u>228,000</u>
Net cash increase for period	(1,369)
Cash at beginning of period	1,816
Cash at end of period	<u>\$ 448</u>

EXHIBIT A-4
STATEMENT OF SHAREHOLDERS' EQUITY
(For the Twelve Months Ended December 31, 2011)

Aerius International, Inc.
(A Development Stage Company)
Statement of Shareholders' Equity
For the Twelve Months Ended December 31, 2011
(Unaudited)

	Number of Common Shares	Carrying Value	Additional Paid in Capital	Deficit Accumulated	Total Stockholders' Equity <Deficit>
Balance December 31, 2010	95,261,615	\$ 95,262	\$ 464,562	\$ (861,603)	\$ (301,779)
Loss from Operations				(586,895)	(586,895)
Stock Issued	31,613,215	31,613			31,613
Balance December 31, 2011	126,874,830	\$ 126,875	\$ 464,562	\$ (1,448,498)	\$ (857,061)

*These financial statements and notes thereto present fairly, in all material respects, the financial position of the company and the results of its operations and cash flows for the periods presented, in conformity with the accounting principles general

The accompanying notes are an integral part of these financial statements

Aerius International, Inc.
(A Development State Company)
NOTES TO FINANCIAL STATEMENTS
December 31, 2011
(Unaudited)

1. Nature of Operations

a) Organization

In January 2007, CyberVegas.com acquired all the outstanding common stock of Aerius, a Nevada corporation in a transaction accounted for as a reverse merger. The Company issued 28,000,000 shares to the shareholders of Aerius and reserved 10,000,000 shares to satisfy the obligations to existing convertible note, stock option, and warrant holders. Aerius is developing high performance antenna technology for cellular and other mobile wireless communications devices. The product significantly improves voice quality while reducing energy consumption and SARs therefore producing the most “green technology” in the industry.

As part of the merger the Company directors resigned with the directors and officers of Aerius being appointed to the board of directors. The name of the corporation (CyberVegas.com) was changed to Aerius International, Inc.

b) Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern.

As shown in the accompanying financial statements, the Company has incurred a net loss of \$861,603 for the period from February 24, 2000 (inception) to December 31, 2009 and has no sales, and a net loss of \$1,448,498 for the period from February 24, 2000 (inception) to December 31, 2011 and has no sales. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its new business opportunities. Management has plans to seek additional capital through a private placement. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

2. Significant Accounting Policies

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates, which have been made using careful judgment.

The financial statements have, in management’s opinion, been properly prepared within reasonable limits of materiality, and within the framework of the significant accounting policies summarized below.

a) Development Stage Company

The Company is a development stage company as defined in the Statements of Financial Accounting Standards No. 7. The Company is devoting substantially all of its present efforts to establish a new business and none of its planned principal operations have commenced. All losses accumulated since inception have been considered as part of the Company's development stage activities.

b) Intellectual Property

The Company has developed and acquired patented technology that applies to wireless to hand held communications units. The costs have been capitalized.

c) Income Taxes

The Company has adopted Statement of Financial Accounting Standards No. 109 – "Accounting For Income Taxes" (SFAS 109). This standard requires the use of an asset and liability approach for financial accounting and reporting on income taxes. If it is more likely than not that some portion, or all if a deferred tax asset, will not be realized, a valuation allowance is recognized.

d) Financial Instruments

The Company's financial instruments consist of cash.

Unless otherwise noted, it is management's opinion that this Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

3. Common Shares

In January 2007, the Company filed an amendment to its articles of incorporation raising its authorized common shares to 100,000,000. At such time the Company had 10,000,000 fully-paid shares issued and outstanding. The Company resolved to forward split its common shares on a 5-to-1 basis, resulting in a new total of issued and outstanding shares at 50,000,000. In anticipation of the merger, the Company exchanged assets of the previous business for approximately 40,000,000 shares of common stock. The Company then acquired Aeries for 28,000,000 common stock.

In March 2011, the Company filed an amendment to its articles of incorporation raising its authorized common shares to 190,000,000. At such time the Company had 97,261,615 total outstanding shares.