DRAGON POLYMERS INC.
QUARTERLY REPORT
For the Quarter ended August 31st, 2012

Item 1. Exact Name of Issuer and Address of Principal Executive Offices:

9408 Pascal Gagnon
Montreal, Quebec, Canada, H1P 1Z7
Phone: (888) 610-2242
Fax: (888) 610-2242
Web page: www.dragonploymers.com

Item 2. **The number of shares or total amount of the securities outstanding for each class of securities outstanding.**

The Company had 49,367,314 common shares outstanding as of August 31, The public float is 45,111,418 shares.

There are 500,000,000 common stock shares authorized. There are 400,000,000 Series A preferred stock shares authorized, 17,430,975 issued and outstanding. There are 5,000,000 Series B preferred stock shares Authorized and 1,478,857 outstanding as of August 31st, 2012

As of the end of the most recently completed fiscal year ending November 30, 2011 the public float was 103,342,538 shares.

The Company had 136 active shareholders of record as of August 31st , 2012

Item 3. Unaudited Financial Statements for the Quarter ended August 31st , 2012 begin on the following page.

Dragon Polymers, Inc.
(fka Blue Gold Beverages, Inc.)
Balance Sheet
As of August 31, 2012
(Unaudited)

ASSETS		
Current Assets:		
Cash and cash equivalents	$	720
Accounts receivables		95,000
Loan receivable		10,000
Inventory		101,500
Total Current Assets		207,220
Other Assets		600,000
Total Assets	$	807,220
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued expenses	$	497,373
Loan payables		178,393
Total Current Liabilities		675,766
Commitments		-
Stockholders' Equity:		
Common stock; $0.001 par value; 500,000,000 shares authorized; 33,067,300 shares issued and outstanding		167,392
6% Series A Preferred stock; $0.001 par value; 400,000,000 shares authorized, 60,903,975 shares issued and outstanding		60,904
Series B Convertible Preferred stock; $1 par value; 5,000,000 shares authorized, 1,478,857 shares issued and outstanding		1,513,282
Additional paid in capital		12,722,799
Deficit accumulated		(14,332,924)
Total Stockholders' Equity		131,454
Total Liabilities and Stockholders' Equity	$	807,220

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

(fka Blue Gold Beverages, Inc.)
Statement of Operations
For the nine month period ended August 31, 2012
(Unaudited)

Net Revenues	$	36,000
Cost of Goods Sold		19,500
Gross profit		16,500
Operating Expenses:		
General and administrative expenses		133,676
Total operating expenses		133,676
Loss From Operations		(117,176)
Other Expenses:		
Impairment expense		200,000
Loss Before Discontinued Operations		(317,176)
Loss From Discontinued Operations		
Loss from rescission of agreement		(65,000)
Net Loss		(382,176)
Loss per share		
Basic & Diluted	$	(0.02)
Weighted average number of shares outstanding		
Basic & Diluted		19,718,709

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

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

Dragon Polymers, Inc.
(fka Blue Gold Beverages, Inc.)
Statement Of Cash Flows
For the nine month period ended August 31, 2012
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	$	(382,176)
Adjustments to reconcile net loss to net cash used in operating activities:		
Impairment expense		200,000
Decrease in current assets		
Inventory		51,500
Increase in current liabilities:		
Accounts payable and accrued expenses		110,250
Total Adjustments		361,750
Net cash used in operating activities from continuing operations		(20,426)
Net cash provided by operating activities from discontinued operations		65,000
Net cash used in operating activities		44,574
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan receivable		(10,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Monies raised from loan payables		68,426
Net cash provided by financing activities from continuing operations		68,426
Net cash used in financing activities from discontinued operations		-
Net cash provided by financing activities		68,426
NET DECREASE IN CASH AND CASH EQUIVALENTS		-
CASH AND CASH EQUIVALENTS, BEGINNING BALANCE		720
CASH AND CASH EQUIVALENTS, ENDING BALANCE	$	720
SUPPLEMENTAL DISCLOSURES:		
Interest paid	$	-
Income tax paid	$	-
SUPPLEMENTAL DISCLOSURES FOR NON CASH: FINANCING AND INVESTING ACTIVITIES		
Assets returned in exchange of shares cancellatior	$	(100,000)
Shares returned for acquisition rescission	$	(300,000)

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

Dragon Polymers, Inc.
(fka Blue Gold Beverages, Inc.)
Statement Of Stockholders' Equity
For The Period Ended August 31, 2012
(Unaudited)

	Common Stock		Preferred Stock		Additional Paid-in	Deficit Accumulated During Development	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Stage	Equity/(Deficit)
Balance, Novmber 30, 2002	**7,875,770 $**	**114,640**	**105,000 $**	**67,200 $**	**9,807 $**	**(715,784) $**	**(524,017)**
Stock options exercised	98,447	896	-	-	-	-	896
Options granted	-	-	-	-	39,456	-	39,456
Shares issued for cash	669,983	76,567	-	-	-	-	76,567
Recapitalization on reverse merger	1,355,780	-	5,670,000	-	-	-	-
Shares issued for acquisition	95,086,202	10,000	-	-	-	-	10,000
Settlement of related party debt	-	-	55,128,975	55,129	734,749	-	789,878
Stock issued for services	9,508,620	9,509	-	-	40,491	-	50,000
Comprehensive loss	-	-	-	-	-	-	(156,833)
Net loss for the year ended November 30, 2003	-	-			-	(480,818)	(480,818)
Balance as of November 30, 2003	114,594,802 $	211,612	60,903,975 $	122,329 $	824,503 $	(1,196,602) $	(194,871)
Shares issued for cash	20,930,000	20,930	-	-	209,520	-	230,450
Stock issued for services	6,600,000	6,600	-	-	69,000	-	75,600
Shares issued for acquisition	300,000	300			7,500		7,800
Conversion of debenture	2,152,474	2,152			13,048		15,200
Options granted	-	-	-	-	1,224	-	1,224
Comprehensive loss	-	-	-	-	-	-	(64,906)
Net loss for the year ended November 30, 2004	-	-	-	-	-	(707,797)	(707,797)
Balance as of November 30, 2004	144,577,276	241,594	60,903,975	122,329	1,124,795	(1,904,399)	(637,300)

Conversion of debenture	17,761,072	17,761	-	-	27,129	-	44,890
Stock issued for services	5,000,000	5,000	-	-	70,000	-	75,000
Shares issued for cash	30,000,000	30,000			17,500		47,500
Shares issued for cash and note payable	108,000,000	108,000	-	-	239,500	-	347,500
Options granted	-	-	-	-	95,680	-	95,680
Warrants granted	-	-	-	-	105,336	-	105,336
Comprehensive loss	-	-	-	-	-	-	(19,062)
Net loss for the year ended November 30, 2005	-	-	-	-	-	(812,847)	(812,847)
Balance as of November 30, 2005	305,338,348	$ 402,355	60,903,975	$ 122,329	$ 1,679,940	$ (2,717,246)	$ (753,303)
Shares issued for cash	100,000,000	100,000	-	-	-	-	100,000
Conversion of debenture	42,146,650	42,147			(17,948)	-	24,199
Options granted	-	-	-	-	3,806	-	3,806
Comprehensive loss		-	-	-	-	-	(12,948)
Net loss for the year ended November 30, 2006	-	-	-	-	-	(191,117)	(191,117)
Balance as of November 30, 2006	447,484,998	$ 544,502	60,903,975	$ 122,329	$ 1,665,798	$ (2,908,363)	$ (829,363)
100:1 Stock split	(443,010,134)	(540,027)	-	-	540,027	-	-
Shares issued for services	450,500,000	450,500	-	-	3,574,550	-	4,025,050
Options granted	-	-	-	-	-	-	-
Capital contribution on related party loan settlement	-	-	-	-	347,079	-	347,079
Capital contribution on sale of subsidiary to related party	-	-	-	-	67,027	-	67,027
Comprehensive gain	-	-	-	-	-	-	253,629
Net Loss for the year ended November 30, 2007	-	-	-	-	-	(4,234,269)	(4,234,269)
Balance as of November 30, 2007	454,974,864	$ 454,975	60,903,975	$ 122,329	$ 6,194,481	$ (7,142,632)	$ (370,847)

Stock issued for services	150,000,000	150,000	-	-	1,500,000	-	1,650,000
200 1 Stock split	(601,949,990)	(467,625)	-	-	467,625	-	-
Stock issued for services	11,023,015	11,023	-	-	2,333,810	-	2,344,833
Convertible Series B Preferred stock issued for cash	-	-	627,184	627,184	627,184	-	1,254,368
Series B Preferred Dividend for warrants granted	-	-	-	-	-	(628,910)	(628,910)
Net Loss for the year ended November 30, 2008						(3,300,067)	(3,300,067)
Balance as of November 30, 2008	14,047,889	148,373	61,531,159	749,513	11,123,100	(11,071,609)	949,377
Stock issued for cash	14,325,346	14,325	851,673	851,673	80,677	-	946,675
Dividends paid	3,144,233	3,144	-	-	51,073	(82,730)	(28,513)
Net Loss for the year ended November 30, 2009						(1,205,253)	(1,205,253)
Balance as of November 30, 2009	31,517,468	165,843	62,382,832	1,601,186	11,254,849	(12,359,591)	662,286
Stock issued for assets purchase	40,000,000	40,000	-	-	160,000	-	200,000
Stock issued for services	60,000,000	60,000	-	-	240,000	-	300,000
Stock issued for Series A dividend	5,500,000	5,500	-	-	22,000	(27,500)	-
Stock issued for acquisition of subsidiary	10,000,000	10,000	-	-	590,000	-	600,000
Net loss for the year ended November 30, 2010	-	-	-	-	-	(1,106,622)	(1,106,622)
Balance as of November 30, 2010	147,017,468	281,343	62,382,832	1,601,186	12,266,849	(13,493,713)	655,664
Shares issued to purchase assets	5,000,000	5,000	-	-	95,000	-	100,000
Shares issued for services	35,000,000	35,000	-	-	280,000	-	315,000
Shares issued for acquisition of subsidiary	10,000,000	10,000	-	-	290,000	-	300,000
Net loss for the year ended November 30, 2011	-	-	-	-	-	(457,034)	(457,034)
Balance as of November 30, 2011	197,017,468 $	331,343	62,382,832 $	1,601,186 $	12,931,849 $	(13,950,747) $	913,630

Cancellation of shares issued for purchase of assets	(5,000,000)	(5,000)	-	-	(95,000)	-	(100,000)
Cancellation of shares issued for acquisition of subsidiary	(10,000,000)	(10,000)	-	-	(290,000)	-	(300,000)
30:1 Reverse stock split	(175,950,168)	(175,950)	-	-	175,950	-	-
Conversion of preferred series A to common stock	27,000,000	27,000	(27,000,000)	(27,000)	-	-	-
Net loss for the nine month period ended August 31, 2012	-	-	-	-	-	(382,176)	(382,176)
Balance as of August 31, 2012	33,067,300	167,392	35,382,832	1,574,186	12,722,799	(14,332,924)	131,454

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

1. Financial Statement Presentation

Dragon Polymers, Inc. (formerly known as "Blue Gold Beverages, Inc.) (The "Company") was incorporated in Delaware as a faith-based media holding company comprising internet, print and television related content properties and technology development services. On November 28, 2003, the Company acquired GospelCity.com Inc. which operated a web destination for Urban/Gospel Christian music fans and consumers. GospelCity.com Inc. was spun off on November 27, 2007.

On February 8, 2008, the Company On March 3, 2010, the Company sold all the assets acquired from Systems Art Holdings Limited to Miazzi Inc.

On March 3, 2010, the Company acquired all the assets of Blue Gold Beverages, Inc. – a Company carrying on the business of selling private label water, organic beverages and BGB labeled water in various size bottles. The purchase price was 40,000,000 shares of the Company valued at $200,000. On April 8, 2010, the Company filed for change of the name of the Company from Heart Health Inc. to Blue Gold Beverages, Inc. and the change in name got effective from that date. During the nine month period ended August 31, 2012, the Company impaired the assets as it is no longer pursuing that line of business.

On November 7th 2010 the company bought the shares of Ty Recycling, a nylon and plastics recycling company with operations in Ontario Canada in exchange for 10,000,000 shares of Blue Gold Beverages the deal was valued at $600,000.

On August 3rd, 2011 the company purchased the distribution right for PITBULL energy bars for epic Nutrition Canada for 5 000 000 shares of Blue Gold Beverages, the deal was valued at $100,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned. On June 16th, 2011 Blue Gold Beverages purchased the shares of Epic Nutrition USA for 10,000,000 shares of common stock. The shares were valued at the fair market value of $300,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

On April 27th 2012, FINRA approved the company's name change to Dragon Polymers Inc., as well as a 30-1 stock split.

2. Significant Accounting Policies

Basis of Presentation and Organization

The financial statements of the Company for the period December 1, 2011 to August 31, 2012 have been prepared in accordance with generally accepted accounting principles.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined.

Revenue Recognition

The Company's recognizes revenue at the date of shipment to customers when a formal arrangement exists, the price is fixed or determinable, the delivery is completed, no other significant obligations of the Company exist and collectability is reasonably assured. The Company recognizes revenue net of an allowance for estimated returns, at the time the merchandise is sold or services performed. The allowance for sales returns is estimated based on the Company's historical experience. Sales taxes are presented on a net basis (excluded from revenues and costs). Payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as unearned revenue.

Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities measured at fair value are categorized based on whether or not the inputs are observable in the market and the degree that the inputs are observable. The categorization of financial assets and liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The Company's financial instruments primarily consist of cash and cash equivalents, accounts receivable, and accounts payable.

As of the balance sheet dates, the estimated fair values of the financial instruments were not materially different from their carrying values as presented on the balance sheet. This is primarily attributed to the short maturities of these instruments.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

Other Assets

On March 3, 2010, the Company acquired all the assets of Blue Gold Beverages, Inc. – a Company carrying on the business of selling private label water, organic beverages and BGB labeled water in various size bottles. The purchase price was 40,000,000 shares of the Company valued at $200,000. During the nine month period ended August 31, 2012, the Company impaired the assets as it is no longer pursuing that line of business.

On November 7th 2010 the company bought the assets of Ty Recycling, nylon and plastics recycling company with operations in Ontario Canada in exchange for 10,000,000 shares of Blue Gold Beverages the deal was valued at $600,000.

The company has an account receivable of $14,000, due to the sales of Type 66 nylon waste, to Yang Wick International.

On August 3rd, 2011 the company purchased the distribution right for PITBULL energy bars for epic Nutrition Canada for 5 000 000 shares of Blue Gold Beverages, the deal was valued at $100,000. On June 16th, 2011 Blue Gold Beverages purchased the shares of Epic Nutrition USA for 10,000,000 shares of common stock. The shares were valued at the fair market value of $300,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

Impairment of Long-lived Assets

The Company tests long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value.

Property, Plant and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation is computed using various methods over the estimated useful lives of the assets, ranging from three to ten years.

Stock Based Compensation

The Company measures stock-based compensation cost at the grant date based on the fair value of the award and recognize it as expense over the applicable vesting period of the stock award using the straight-line method.

Basic and Diluted Earnings Per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include outstanding stock options, warrants, and stock awards. Basic & diluted loss per share was $0.02 for the nine month period ended August 31, 2012.

New Accounting Pronouncements

In December 2011, the FASB issued guidance on offsetting (netting) assets and liabilities. Entities are required to disclose both gross information and net information about both instruments and transactions eligible for offset in the statement of financial position and instruments and transactions subject to an agreement similar to a master netting arrangement. The new guidance is effective for annual periods beginning after January 1, 2013.

In September 2011, the FASB issued guidance on testing goodwill for impairment. The new guidance provides an entity the option to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If an entity determines that this is the case, it is required to perform the currently prescribed two-step goodwill impairment test to identify potential goodwill impairment and measure the amount of goodwill impairment loss to be recognized for that reporting unit (if any). If an entity determines that the fair value of a reporting unit is less than its carrying amount, the two-step goodwill impairment test is not required. The new guidance is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011, with early adoption permitted.

In June 2011, the FASB issued guidance on presentation of comprehensive income. The new guidance eliminates the current option to report other comprehensive income and its components in the statement of changes in equity. Instead, an entity will be required to present either a continuous statement of net income and other comprehensive income or in two separate but consecutive statements. The new guidance is effective for annual periods beginning after December 15, 2011. In December 2011, the FASB issued a deferral of certain portion of this guidance.

In May 2011, the FASB issued guidance to amend the accounting and disclosure requirements on fair value measurements. The new guidance limits the highest-and-best-use measure to nonfinancial assets, permits certain financial assets and liabilities with offsetting positions in market or counterparty credit risks to be measured at a net basis, and provides guidance on the applicability of premiums and discounts. Additionally, the new guidance expands the disclosures on Level 3 inputs by requiring quantitative disclosure of the unobservable inputs and assumptions, as well as description of the valuation processes and the sensitivity of the fair value to changes in unobservable inputs. The new guidance is effective for annual periods beginning after December 15, 2011.

3. Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate the continuation of the Company as a going concern. The Company reported accumulated deficit of $14,332,924 as of August 31, 2012. The Company also incurred net loss of $382,176 for the nine month period ended August 31, 2012. To date, these losses and deficiencies have been financed principally through the raising of equity.

In view of the matters described, there is substantial doubt as to the Company's ability to continue as a going concern without a significant infusion of capital. At August 31st, 2012, the Company had minimal operations. There can be no assurance that management will be successful in implementing its plans. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

We anticipate that we will have to raise additional capital to fund operations over the next 12 months. To the extent that we are required to raise additional funds to acquire properties, and to cover costs of operations, we intend to do so through additional offerings of debt or equity securities. There are no commitments or arrangements for other offerings in place, no guaranties that any such financings would be forthcoming, or as to the terms of any such financings. Any future financing August involve substantial dilution to existing investors.

4. Capital Stock

From November 24, 1999 (date of inception) until November 30, 2002, the Company (formerly GospelCity.com Inc.) issued 7,875,770 common shares for aggregate cash consideration of $114,640, and 105,000 preferred shares for cash consideration of $67,200.

These figures have been retroactively restated to reflect the 70 for 1 common shares split on August 7, 2002.

On December 16, 2002, the Company issued 98,447 common shares as part of the stock-based compensation plan for cash consideration of $896.

From September 3 to November 27, 2003, the Company issued 669,983 common shares for cash consideration of $76,567.

In connection with the reverse merger described in note 4, on November 28, 2003, the Company issued 95,086,202 common shares in exchange for 8,644,220 common shares of GospelCity.com Inc, 5,775,000 Series A Preferred shares in exchange for 105,000 preferred shares of GospelCity.com Inc, 55,128,975 Series A Preferred shares in settlement of $789,878 in loans payable and accrued interest to shareholders of GospelCity.com Inc, and 9,508, 620 common shares in settlement of consulting and legal services of $50,000.

From March 10 to October 15, 2004, the Company issued 20,930,000 common shares for cash consideration of $230,450.

On July 20, 2004, the Company issued 6,000,000 common shares for investor relations services of $60,000. These transactions were with third parties.

On October 7, 2004, the Company issued 300,000 common shares for the acquisition of the assets of Prayermail.com as described in note 4 and issued 600,000 common shares for investor relations services of $15,600.

On October 11 to November 10, 2004, the Company issued 2,152,474 common shares upon conversion of $15,200 of the convertible debentures plus $2,416 of accrued interest.

From December 13, 2004 to February 14, 2005, the Company issued 3,400,000 common shares upon conversion of $17,050 of convertible debenture plus $1,450 of accrued interest.

On December 22, 2004, the Company issued 30,000,000 common shares for cash consideration of $75,000.

From March 1 to August 1, 2005, the company issued 108,000,000 common shares for cash consideration of $67,500 and a promissory note for $280,000 due on November 30, 2005 bearing interest at 5% per annum.

On March 1, 2005, the Company issued 5,000,000 common shares for investor relations services of $12,500.

On March 8, 2005, the Company issued 1,361,072 common shares upon conversion of $13,449 of convertible debenture plus $162 of accrued interest.

On April 15, 2005, the Company issued 13,333,727 warrants to the related party lender described in note 7. Each warrant entitles the holder to acquire one common share at a price of $0.011 per share. These warrants expire on April 15, 2010. The 13,333,727 warrants have been valued at $105,336 using Black-Scholes option pricing model, which assumed an expected life of 3 years, volatility of 119%, risk free interest rate of 3.8% and no dividend yield. The amount of $105,336 has been charged to the consolidated income statement as other stock based expense and credited to shareholders equity.

On November 2, 2005, the Company issued 13,000,000 common shares upon conversion of $5,688 of the convertible debenture plus $7,091 of accrued interest.

On December 28, 2005 the Company issued 13,000,000 common shares upon conversion of $9,520 plus $663 of accrued interest and 50,000,000 common shares for cash consideration of $50,000.

On August 8, 2006, the company issued 50,000,000 common shares through private placements for cash consideration of $50,000.

On August 8, 2006, the holder of the convertible debentures converted the remaining $14,489, of the debentures plus $1,526 of accrued interest into 29,146,650 common shares.

On November 1, 2007, the Company enacted a 1-for-100 reverse stock split. All fractional shares are rounded up and the authorized shares remain the same. The financial statements have been retroactively restated for the effects of stock splits.

During the year ended November 30, 2007, the Company issued 200 million shares to its investor relation firm and 500,000 shares to its legal counsel. The Company also awarded 250 million shares to a related party for successfully locating and acquiring assets. These shares were valued at the fair market value of $4,025,050, pursuant to EITF 96-18.

On November 27, 2007 the Company recorded a capital contribution of $67,027 on the sale of GospelCity.com Inc. to a related party for $10 for the net liabilities assumed by the related party.

On February 28, 2008, the Company entered into an agreement with System Art Holding Limited to acquire all the assets of System Art Holding Limited in exchange for 150,000,000 (pre- split) shares of common stock of the Company. The assets acquired were recorded at the fair market value of the shares of $1,650,000 on the date of acquisition. The shares were issued in April, 2008.

On June 19, 2008, the Company enacted a 1-for-200 reverse stock split. All fractional shares are rounded up and the authorized shares remain the same. The financial statements have been retroactively restated for the effects of stock splits.

On July 7, 2008, the Company issued 6,000,000 shares to a related party for consulting and 2,000,000 shares to another consultant. The shares were valued at the fair market value of $1,680,000.

On July 30, 2008, the Company issued 9,000 shares to a consultant. The shares were valued at the fair market value of $1,890.

On September 18, 2008, the Company issued 3,000,000 shares to a consultant. The shares were valued at the fair market value of $660,000.

During the year ended November 30, 2009, the Company issued 14,325,346 shares of common stock for cash amounting to 95,000.

On October 1, 2009, the Company issued 3,144,233 shares to shareholders valued at $54,217 as dividend distribution.

The Company also declared and paid cash dividend of $28,513 in April, 2009.

During the year ended November 30, 2010, the Company issued 60,000,000 shares for services rendered to the Company and recorded them at the fair market value of $300,000.

During the year ended November 30, 2010,, the Company issued 5,500,000 shares to Series A Preferred stockholders as dividend for the period, valued at $27,500.

On March 3, 2010, the Company issued 40,000,000 shares to Blue Gold Beverages, Inc. for acquisition of assets of Blue Gold Beverages, Inc. and recorded them at the fair market value of $200,000.

On November 7th 2010 the company bought the shares of 9210-8216 Quebec Inc (Ty Recycling) nylon and plastics recycling company with operations in Ontario Canada in exchange for 10,000,000 shares of Blue Gold Beverages the deal was valued at $600,000

On August 3rd, 2011 the company purchased the distribution right for PITBULL energy bars for epic Nutrition Canada for 5 000 000 shares of Blue Gold Beverages, the deal was valued at $100,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

On June 16th, 2011 Blue Gold Beverages purchased the shares of Epic Nutrition USA for 10,000,000 shares of common stock. The shares were valued at the fair market value of $300,000. Subsequent to the year ended November 30, 2011, the Company rescinded the shares exchange agreement and the shares were returned.

In August 2011, the Company issued 35,000,000 shares for consulting services rendered by third parties.

On April 27, 2012, the Company enacted a 1-for-30 reverse stock split. All fractional shares are rounded up and the authorized shares remain the same.

Also, at the same time, the holders of 27,000,000 shares of Series B preferred stock opted to convert their shares and were hence issued 27,000,000 shares of common stock.

Subsequent to August 31, 2012, holders of 16,500,000 series A preferred shares opted to convert their shares and were hence issued 16,500,000 shares of common stock.

Preferred stock

During the year ended November 30, 2008, the Company issued 627,184 shares of Series B Convertible Preferred stock pursuant to an offering by the Company of up to $5,000,000 worth of its Convertible Preferred stock for a purchase price of $1.00 per share in minimum units of Ten Thousand (10,000) Shares. In addition, purchasers of this Offering received one warrant for each Share purchased. Each Warrant will allow the purchaser to buy any additional common share of the Company for a price of three ($0.03) cents within two years of the initial purchase of Shares.

The Company valued the beneficial conversion feature on the convertible note and also the black scholes value of the warrants attached to the preferred stock. The total discount was limited to the face value of the preferred stock issued and was recorded as a dividend paid to the preferred stockholders.

During the year ended November 30, 2009, the Company issued 851,673 shares of Preferred stock for cash amounting to $851,673.

On April 27th 2012, the articles of incorporation for Dragon Polymers were amended with the state of Nevada to clarify the rights of the 60,903,975 Series A preferred shares outstanding..

On May 31, 2012, the holders of 27,000,000 Preferred Series A stock opted to convert their shares into equal number of fully paid shares of common stock. Each share of preferred stock is convertible into one share of common stock pursuant to the amended articles of incorporation.

Subsequent to August 31, 2012 holders of 16,500,000 series A preferred shares opted to convert their shares into equal number of fully paid shares of common stock .

Stock Option Plan

The Company has a stock option plan, under which the Company August grant options to employees, non-employee directors, consultants and advisors of the Company or any subsidiary company to purchase common shares. In the case of consultants and advisors of the Company, options are only granted if bona fide services have been or are to be rendered by such consultant or advisor and such services are not in connection with the offer of sale of securities in a capital raising transaction. The option price shall be determined by the Board of Directors of the Company and shall be above the fair market value price of the common stock when granted.

The term and vesting period of the options granted shall be determined by the Board of Directors or by its chosen committee.

In 2005, the Company granted options to 14 employees, non-employee directors, and consultants to purchase up to 12,700,000 common shares, in aggregate, at exercise prices ranging from of $0.011 to $0.02 per common share which are greater than or equal to the market price on the date of grant. The expiration dates of the option range from 5 to 6 years from the date of grant and the options vested 77% in 2005 and 23% in 2006.

No new stock options were granted during the nine month period ended August 31st, 2012 and there were no stock options outstanding as of August 31, 2012.

5. Income Taxes

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

The following is detail of income tax expense:

	U.S.	State	Total
Current	$ -	$ -	$ -
Deferred	-	-	-
Total	-	-	-

The following is a reconciliation of the provision for income taxes at the U.S. federal income tax rate to the income taxes reflected in the Statement of Operations:

	Nine month period ended August 31, 2012
Tax expense (credit) at statutory rate - federal	34%
State tax expense net of federal tax	6%
Changes in valuation allowance	(40%)
Tax expense at actual rate	-%

We recorded an allowance of 100% for its net operating loss carry forward due to the uncertainty of its realization.
The Company did not provide any current or future United States federal or state tax provision or benefit for the periods presented because it has experienced operating losses since inception. The Company has provided a full valuation allowance on the deferred tax asset, consisting primarily of net operating loss carry forwards, because of uncertainty regarding its ability to be realized.

Item 4. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is intended to assist in an understanding of the Company's financial position and results of operations for the Quarter ending August 31st, 2012, and it's Plan of Operation. The financial statements which follow contain information that should be referred to in conjunction with the following discussion.

During the Quarter ending August 31st, 2012, Dragon Polymers Inc. had cash on hand of \$720.00, accounts receivable stood at \$95,000.00 dated November 2011.

Dragon Polymers is a reseller of recycled polymers, the company has identified the worldwide shortage in certain types of plastics, and specifically petroleum based polymers. As a result of this the company is focusing its efforts in the reclamation of polymers, specifically nylon, that have strategically been buried in landfill sites around the world.

The Company also has a reclamation agreement in place with the Loyalist Township in Ontario, Canada, to extract approximately 16 000 metric tons of Polyethylene terephthalate (PET) from the Violet Road landfill. The company has shipped samples of the PET to numerous companies and is currently looking for the right partners to fully exploit this landfill.

Utilizing its expertise in the recycling of polymers, Dragon Polymers Inc. has sought out several landfill sites in North America that contain vast quantities of commercial grade Nylon 66, Nylon 6 and Polyethylene Terephthalate.

Nylon-6,6 (PA66) is semi-crystalline polyamide commonly used in fiber applications such as carpeting, clothing, and tire cord. It is also used as an engineering material in bearings and gears due to its good abrasion resistance and self-lubricating properties

Polyethylene terephthalate (sometimes written poly(ethylene terephthalate)), commonly abbreviated PET, PETE, or the obsolete PETP or PET-P, is a thermoplastic polymer resin of the polyester family and is used in synthetic fibres; beverage, food and other liquid containers; thermoforming applications; and engineering resins often in combination with glass fiber.

Depending on its processing and thermal history, polyethylene terephthalate August exist both as an amorphous (transparent) and as a semi-crystalline polymer. The semicrystalline material might appear transparent (particle size < 500 nm) or opaque and white (particle size up to a few microns) depending on its crystal structure and particle size. Its monomer (bis-β-hydroxyterephthalate) can be synthesized by the esterification reaction between terephthalic acid and ethylene glycol with water as a by-product, or by Transesterification reaction between ethylene glycol and dimethyl terephthalate with methanol as a by-product. Polymerization is through a polycondensation reaction of the monomers (done immediately after esterification/transesterification) with water as the by-product.

With growing landfill sites becoming a worldwide problem, landfill reclamation projects provide TY recycling a unique opportunity to assist in cleaning our environment, while earning revenue for the company and enhancing shareholder value. The Company will continue to pursue its business model to include the reclamation of landfill sites and industrial polymer fibre throughout North America.

Expected purchase or sale of plant and significant equipment: The company is looking into the possibility of purchasing some capital equipment to reduce manual labor needed in the cleaning and processing of the recover waste material.

Expected significant changes in the number of employees: None.

Off-Balance Sheet Arrangements. NONE.

Item 5. Legal Proceedings

There are no current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations.

Item 6. Defaults upon Senior Securities.

There are no outstanding senior securities and there has been no default thereon.

Item 7. Other information. None

Item 8 Exhibits

There are no new or amended material contracts or contracted not in the ordinary course of business.

Item 9. Issuer's Certifications

I, Daniel Solomita, certify that:

1. I have reviewed the Quarterly Report of Dragon Polymers 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.

/s/ Daniel Solomita

____

Daniel Solomita, President