Quarterly Financials

First Quarter Ended December 31, 2011

Item 1 Exact name of the issuer and its predecessor (if any)

Nuvonyx, Inc. f/k/a US Aloe, Inc. (the "Company"). The name change to Nuvonyx, Inc. was effective on October 4, 2010. The principle executive address is located at 7470 Dean Martin Drive Las Vegas, NV 89139

Item 2 Shares Outstanding

- **(i) Period end date:** December 31, 2011
- **(ii) Number of Shares Authorized:** Common Shares 240,000,000 ; Preferred Shares 5,000,000
- **(iii) Number of Shares Outstanding:** Common Shares 88,596,280; Preferred Stock 0
- **(iv) Freely Tradable Shares** (Public Float): Common Shares 3,702,227; Preferred Shares 0
- **(v) Total Number of Beneficial Shareholders:** 45
- **(vi) Total Number of Shareholders of Record:** 45

Item 3 Interim Financial Statements

The interim Financial Statements are attached at the end of this Quarterly Update in attachment A.

The following reports are located in Attachment A:

Balance Sheet

Statement of Operations

Statement of Stockholders' Deficit

Statement of Cash Flows

Item 4 Management's Discussion and Analysis

Nuvonyx is a vertically integrated manufacturer and marketer of nutritional products that feature Aloe Vera juice as an ingredient. It owns a 70 acre crop of organically grown Aloe Vera, which it harvests on a weekly basis and processes for juice. This is done in the 12,000 sq. ft. plant in Las Vegas, Nevada. After processing, which includes hand filleting of the leaves, the juice is blended and bottled in the factory. The facility includes state of the art bottling, capping and labeling capabilities.

Our product line is divided into four categories: our newly developed nutritional beverage, other products containing aloe sold under our own brands, other products containing aloe which are sold under private label arrangements, and Real Aloe nutritional supplements. Our products have historically been sold through direct relationships with customers. It is our intention that our nutritional beverage product be sold through a network marketing multilevel channel, and we have invested in key personnel who have a track record of success in this channel.

We believe our facility is capable of producing millions of dollars annually, so plant utilization as a result of sales is a key factor in profitability. While our priority is to utilize our facility to produce Aloe Vera products, subject to the availability of financing to purchase production equipment, we intend to increase our marketing efforts with third parties who may wish to subcontract product manufacturing to us.

There are industry wide factors that impact our business starting with the condition of the general economy as 2011 has been a relatively flat year for the overall economy. We have mirrored that in our company. However, as 2012 appears to be experiencing a gradual improvement in the overall economy, we expect to experience that improvement as well. Although we have launched new products it has only allowed us to maintain our sales numbers. We do continue to feel that utilizing a network marketing model for our product line during these economic changes will provide the best return on investment for our sales and marketing dollar. Strong network marketing businesses have outperformed many industry leaders during turbulent economies as more people look to supplement their income or migrate from other industries.

Another important strategic factor is the existing consumer knowledge of aloe as a product with health benefits. We feel that we will be able to leverage this existing consumer knowledge to get people to try our products. We will not have to carry the same level of burden for initial educational costs that other entrants to this market had to bear when their products were focused on acai, pomegranate, or goji, which were relatively unknown at the time.

In October 2011 we launched a new product line called PVX, which is a supplemental super food replacement for the busy individual. It was pushed out through our network marketing channel and initial response was greater than expected. Sales for the first quarter was $90,636 and we are currently in the process of recruiting experienced downstream associates to expand sales further.

While there has been a substantial increase in entrants into the health products industry in the last ten years, we believe there is space for another competitor. Obesity rates continue to climb, both in the United States and worldwide, along with the average age of the overall global population. This will continue to fuel the growth of this industry and its need for healthier products. Furthermore, the proliferation of products within this industry has created an environment that is conducive to trying new products. Additionally, network marketing distributors are constantly looking for products to add to their portfolio, and consumers are looking for the best tasting, healthiest product. Management believes that this confluence of events will lead to a lower cost to acquire a customer than many of our competitors had to face upon their entry into the market.

We believe that the most critical factor to our business strategy will be to obtain distributors for our nutritional beverage product line. We must acquire distributors, facilitate their ability to sell our products, and reward them financially to sell those products on our behalf. Oftentimes a network marketing company has the ability to initially acquire distributors but not retain them. We believe that our incentive plan matches other top network marketing sales incentive models.

Our initial distributor outreach will be focused in the United States. While many network companies operate and are successful on a global scale, we believe the best use of our resources is to focus initially on the U.S. market. We have received interest from international distributors, but initially their support will be secondary to the U.S. Market and establishing our distributor base there. Once we have reached what we believe is an appropriate base in the U.S. market, we intend to expand to appropriate international markets.

In an effort to reduce overhead costs and streamline operations, the Company moved its operations from Carlsbad, California to Las Vegas, Nevada. The results had a negative effect on sales for the first quarter, however, operations were quickly resumed and believe the cost reductions experienced in the second quarter and forward will more than make up for the lost sales during the transition. As part of the move the Company sold equipment with a net book value of $398,770 for cash of $384,940 resulting in a loss on the disposition of $13,830.

Results of Operations:

In our presentations of financial figures, "gross sales" is the total amount that we are charging for our products. However, we recognize that with a network marketing business model, there are significant adjustments to the gross sales numbers and that it is not a measurement consistent with U.S. Generally Accepted Accounting Principles (U.S. GAAP). We believe our "net sales" numbers are in compliance with U.S. GAAP and derived as follows:

Gross Sales to Net Sales Calculation

Product Sales From All Product Lines

\+ Shipping, Handling, & Related Income

= Gross Sales

\- Distributor Commissions

\- <u>Credit Card Fees</u>

= Net Sales

Gross Sales is a critical number for us to demonstrate as it allows us to comprehend our overall transactions and measure the effectiveness of our incentive structure for distributors. However, Gross Sales is not a replacement for Net Sales, as demonstrated on our income statement. Net Sales as demonstrated in our reconciliation is our gross sales minus distributor commissions and including revenue from shipping and handling. Cost of Goods Sold includes our raw material and product preparation costs, shipping handling, Allocation of Facility Costs, and any other related expenses to creating, preparing, and getting our products to our distributors. Gross Profit is our Net Sales minus our Cost of Goods Sold Selling, General, & Administrative (SG&A) costs are our operating expenses outside the cost of creating and getting our products to our distributors. Net Profit is our Gross Profit minus our SG&A costs.

Summary Financial Results:

Net Sales for Quarter and Year to Date ended December 31, 2011 were $203,781. This is a 60% decrease over Quarter and Year to Date ended December 31, 2010 which was $512,159.

Sales have declined as compared to this time last year in part due to the move to Las Vegas which disrupted the sales process, particularly in the multilevel channels. The retail business lost some momentum, but picked right back up once the new operations were functional.

Net Loss for the Quarter and Year to Date ended December 31, 2011 was ($901,761). This is compared to a net loss of ($450,408) for the Quarter and Year to Date ended December 31, 2010.

The net lose increased by $451,353 during the Quarter and Year to Date ended December 31, 2011 as compared to the same Quarter and Year to Date ended December 31, 2010. The increase in the loss was in part due to the amortization of the significant contracts signed and paid for in stock during the period ended September 30, 2011.

It should be noted that our Cost of Goods Sold includes the allocation of our facilities costs attributable to the manufacturing of our products representing the majority of these expenses. As a result, Costs of Goods Sold appears disproportionately large compared to our revenues. As revenues increase, this percentage will decrease. Our gross margin before the allocation of these expenses is approximately 60%.

We expect that as revenues increase in the future our margins will improve such that we expect to reach breakeven point in the year ending September 30, 2012.

Liquidity and Capital Resources:

Historically, we have funded our operations principally through the issuance of equity for services, the incurrence of purchase money debt for equipment and loans from our Chief Executive Officer and principal shareholder. The implementation of our business plan and future results are heavily dependent on our raising funds from third parties in the form of debt, equity or a combination thereof. No assurance can be given that we will be successful in our financing efforts or whether any financing will be on terms favorable to our shareholders. To the extent we are unable to raise sufficient funds; the implementation of our business strategy will be materially and negatively impacted.

Currently we do not have any off balance sheet items.

Item 5 Legal Proceedings

None

Item 6 Default upon senior securities

None

Item 7 Other information

None.

Item 8 Exhibits

Material Contracts

Company has entered into four contracts in exchange for stock to provide public relations and communication services as to better, more fully and more effectively deal and communicate with its shareholders and the investment community.

Articles of incorporation and bylaws

No changes have been made form previous attachments.

Item 9 Issuer's certifications

I, William Mountanos, certify that:

1. I have reviewed this Quarterly Disclosure Statement of Nuvonyx, 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 issues as of and for the periods presented in the disclosure statement.

March 12, 2012

William Mountanos
Chief Executive Officer

Attachment A

Nuvonyx, Inc.
Consolidated Balance Sheets
December 31, 2011
(Unaudited)

Assets		
Current assets:		
Cash and cash equivalents	$	52,054
Accounts receivable, net		137,164
Inventories, net		358,104
Prepaid expenses		246,388
Total current assets		793,710
Other assets - deposits		117,592
Fixed assets, net		648,220
Total non current assets		765,812
Total assets	$	1,559,522
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable	$	1,067,827
Accrued expenses and other current liabilities		231,413
Amounts payable to related parties, including accrued interest		228,111
Customer deposits		60,000
Notes payable and accrued interest		687,724
Total current liabilities		2,275,075
Deferred rent		45,920
Stockholders' deficit:		
Preferred stock, $0.001 par value; 10,000,000 and 5,000,000 shares authorized at September 30, 2011 and 2010, respectively; no shares issued and outstanding		-
Common stock, $0.001 par value; 240,000,000 shares authorized and 88,596,280 and 59,632,668 shares issued and outstanding at September 30, 2011 and 2010, respectively		88,595
Additional paid-in capital		9,195,449
Common stock subscription receivable		(3,762)
Accumulated deficit		(10,041,755)
Total stockholders' deficit		(761,473)
Total liabilities and stockholders' deficit	$	1,559,522

See accompanying notes.

Nuvonyx, Inc.
Consolidated Statements of Operations
For the First Quarter Ended December 31, 2011
(Unaudited)

Net sales	$	203,781
Operating expenses:		
Cost of sales		292,384
Selling, general and administrative		766,471
Total operating expenses		1,058,855
Loss from operations		(855,074)
Other income (expense):		
Loss on disposal of equipment		(13,830)
Other income		-
Interest expense		(32,857)
Total other income (expense)		(46,687)
Loss before provision for income taxes		(901,761)
Provision for income taxes		-
Net loss	$	(901,761)

See accompanying notes.

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Nuvonyx, Inc.
Consolidated Statement of Stockholders' Deficit
For the First Quarter Ended December 31, 2011

	Preferred stock		Common stock		Additional paid-in	Common stock subscription	Accumulated	Total stockholders'
	Shares	Amount	Shares	Amount	capital	receivable	deficit	deficit
Balance at September 30, 2011	-	$ -	88,596,280	$ 88,595	$ 9,135,640	$ (3,762)	$ (9,139,994)	$ 80,479
Non-cash stock-based compensation	-	-	-	-	59,809	-	-	59,809
Net loss and comprehensive loss	-	-	-	-	-	-	(901,761)	(901,761)
Balance at December 31, 2011	-	$ -	88,596,280	$ 88,595	$ 9,195,119	$ (3,762)	$ (10,041,755)	$ (761,473)

See accompanying notes

Nuvonyx, Inc.
Consolidated Statements of Cash Flows
For the First Quarter Ended December 31, 2011
(Unaudited)

Operating activities		
Net loss	$	(901,761)
Adjustments to reconcile net loss to net cash used for operating activities:		
Stock-based compensation		59,809
Depreciation		26,521
Issuance of common stock for services rendered		-
Loss on disposal of equipment		13,830
Changes in operating assets and liabilities:		
Accounts receivable		(35,592)
Inventories		(90,725)
Prepaid expenses and other		300,388
Accounts payable		133,685
Accrued expenses and other current liabilities		(31,004)
Accrued interest		149,399
Deferred rent		(2,012)
Net cash used for operating activities		(377,462)
Investing activities		
Disposition of property and equipment		379,764
Net cash used for investing activities		379,764
Financing activities		
Net change in advances from related party		33,616
Proceeds from issuance of notes payable		-
Proceeds received from stock subscription		-
Proceeds from issuance of common stock		-
Net cash used in financing activities		33,616
Decrease in cash and cash equivalents		35,918
Cash and cash equivalents at beginning of period		16,136
Cash and cash equivalents at end of period	$	52,054
Supplemental cash flow information		
Cash paid for interest	$	6,562
Cash paid for income taxes	$	-

See accompanying notes.