

ENTHEOS TECHNOLOGIES INC
Form PRE 14A
June 24, 2004

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

ENTHEOS TECHNOLOGIES, INC.

(Name of Registrant As Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):_____

4) Proposed maximum aggregate value of transaction:_____

5) Total fee paid:_____

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:_____

2) Form, Schedule or Registration Statement No.:_____

3) Filing Party: _____

4) Date Filed: _____

ENTHEOS TECHNOLOGIES, INC.

Suite 216 1628 West 1st Ave.

Vancouver, B.C. V6J 1G1

Telephone: 604-659-5005

June 21, 2004

Dear Stockholders:

You are cordially invited to attend the 2004 Annual Meeting of Stockholders of Entheos Technologies, Inc. The meeting will be held at 9:00 a.m., local time, on August 31, 2004, at Suite 216, 1628 West 1st Ave., Vancouver, B.C., V6J 1G1. Enclosed are the official notice of this meeting, a proxy statement, a form of proxy and the 2003 Annual Report on Form 10-KSB for the year ended December 31, 2003.

At this meeting you will be asked to elect directors to serve until the next annual meeting, ratify the selection of the Company's independent auditors for 2004, authorize a forward split of Entheos Technologies common stock, and to transact any other business as may properly come up before the meeting.

Please note that attendance at the Annual Meeting will be limited to stockholders of record at the close of business on June 18, 2004, and to guests of the Company.

If your shares are registered in your name and you plan to attend the Annual Meeting, please bring the enclosed ballot with you to the meeting.

If your shares are held by a broker, bank or other nominee and you plan to attend the meeting, please contact the person responsible for your account regarding your intention to attend the meeting so they will know how you intend to vote your shares at that time. Stockholders who do not expect to attend the Annual Meeting in person may submit their ballot to the Management of the Company at Suite 216, 1628 West 1st Ave., Vancouver, B.C., V6J 1G1.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Stanley Wong

Stanley Wong

President and Director

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

OF ENTHEOS TECHNOLOGIES, INC. TO BE HELD AUGUST 31, 2004

To the Stockholders of Entheos Technologies, Inc.:

NOTICE IS HEREBY GIVEN that the 2004 Annual Meeting of Stockholders (the "Annual Meeting") of Entheos Technologies, Inc., a Nevada corporation (the "Company"), will be held at Suite 216, 1628 West 1st Ave, Vancouver, B.C., on the 31st day of August, 2004, at 9:00 a.m. (local time) for the following purposes:

1.

To elect 3 directors to the Board of Directors to serve until the next Annual Meeting of stockholders or until their respective successors are duly elected and have qualified;

2.

To ratify the appointment of Moore Stephens Ellis Foster Ltd., as the Company's independent auditor for the fiscal year ending December 31, 2004;

3.

To authorize a 6:1 forward split of Entheos Technologies common stock; and,

4.

To transact any and all other business that may properly come before the Annual Meeting or any adjournment(s) thereof.

Pursuant to the Company's Bylaws (the "Bylaws"), the record date (the "Record Date") for the determination of stockholders entitled to notice of and to vote at such meeting or any adjournment(s) thereof shall be the close of business on June 18, 2004. Only holders of record of the Company's Common Stock at the close of business on the Record Date are entitled to notice of and to vote at the Annual Meeting. Shares can be voted at the Annual Meeting only if the holder is present or represented by proxy. The stock transfer books will not be closed.

A copy of the Company's 2003 Annual Report to Stockholders, in the form of the 10-KSB filed with the Securities and Exchange Commission, which includes audited financial statements, has been included in this mailing to the

Company's stockholders. A list of stockholders entitled to vote at the Annual Meeting will be available for examination at the offices of the Company for ten (10) days prior to the Annual Meeting.

You are cordially invited to attend the Annual Meeting; whether or not you expect to attend the meeting in person, however, you are urged to mark, sign, date, and mail or telefax the enclosed form of proxy promptly so that your shares of stock may be represented and voted in accordance with your wishes and in order that the presence of a quorum may be assured at the meeting. Your proxy will be returned to you if you should be present at the Annual Meeting and should request its return in the manner provided for revocation of proxies on the initial page of the enclosed proxy statement.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Stanley Wong

Stanley Wong

President and Director

Vancouver, BC,

June 21, 2004

ENTHEOS TECHNOLOGIES, INC.

Suite 216 1628 West 1st Avenue

Vancouver, BC V6J 1G1

PROXY STATEMENT
FOR ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD AUGUST 31, 2004

SOLICITATION AND REVOCABILITY OF PROXIES

The accompanying proxy is solicited by the Board of Directors on behalf of Entheos Technologies, Inc., a Nevada corporation (the "Company"), to be voted at the 2004 Annual Meeting of Stockholders of the Company (the "Annual Meeting") to be held on August 31, 2004, at the time and place and for the purposes set forth in the accompanying Notice of Annual Stockholders (the "Notice") and at any adjournment(s) thereof. **When proxies in the accompanying form are properly executed and received, the shares represented thereby will be voted at the Annual Meeting in accordance with the directions noted thereon; if no direction is indicated, such shares will be voted FOR the election of the nominees listed thereon, FOR the ratification of the independent auditor, and in their discretion with respect to any other matters that may properly come before the stockholders at the Annual Meeting.**

The executive offices of the Company are located at, and the mailing address of the Company is, Suite 216, 1628 West 1st Avenue, Vancouver, B.C., V6J 1G1.

Management does not anticipate that any matters will be presented at the Annual Meeting other than matters set forth in the Notice.

This proxy statement (the "Proxy Statement") and accompanying proxy are being mailed on or about July 19, 2004. The Company's Annual Report on Form 10-KSB (the "2003 Annual Report"), which serves as the Annual Report to Stockholders, covering the Company's fiscal year ended December 31, 2003, is attached.

Any stockholder of the Company giving a proxy has the right to revoke their proxy at any time prior to the voting thereof by voting in person at the Annual Meeting, by delivering a duly executed proxy bearing a later date or by giving written notice of revocation to the Company addressed to Harmel S. Rayat, Director, Suite 216, 1628 West 1st Avenue, Vancouver, B.C., V6J 1G1; no such written notice shall be effective, however, until such notice of revocation has been received by the Company at or prior to the Annual Meeting.

In addition to the solicitation of proxies by use of the mail, officers and regular employees of the Company may solicit the return of proxies, either by mail, telephone, telefax, telegraph or through personal contact. Such officers and employees will not be additionally compensated but will be reimbursed for out-of-pocket expenses. Brokerage houses and other custodians, nominees, and fiduciaries will, in connection with shares of the Company's common stock, \$0.00001 par value per share (the "Common Stock"), registered in their names, be requested to forward solicitation material to the beneficial owners of such shares of Common Stock.

The cost of preparing, printing, assembling, and mailing the 2003 Annual Report, the Notice, this Proxy Statement, and the enclosed form of proxy, as well as the cost of forwarding solicitation materials to the beneficial owners of shares of Common Stock and other costs of solicitation, are to be borne by the Company.

QUORUM AND VOTING

The record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting was the close of business on June 18, 2004 (the "Record Date"). On the Record Date, there were 16,104,187 shares of Common Stock issued and outstanding.

Each share of Common Stock is entitled to one vote on all matters to be acted upon at the Annual Meeting, and neither the Company's Certificate of Incorporation (the "Certificate of Incorporation") nor its Bylaws allow for cumulative voting rights. The presence, in person or by proxy, of the holders of a majority of the issued and outstanding Common Stock entitled to vote at the meeting is necessary to constitute a quorum to transact business. If a quorum is not present or represented at the Annual Meeting, the stockholders entitled to vote thereat, present in person or by proxy, may adjourn the Annual Meeting from time to time without notice or other announcement until a quorum is present or represented. Assuming the presence of a quorum, the affirmative vote of a plurality of votes cast is required for the election of each of the nominees for director. A majority of the votes represented and entitled to vote at the Annual Meeting will be required for the approval of all other matters to be voted upon. Abstentions and broker non-votes will each be counted towards the presence of a quorum, but (i) will not be counted as votes cast and, accordingly, will have no effect on the plurality vote required for the election of directors, and (ii) will be counted as votes represented at the Annual Meeting and, accordingly, will have the effect of a vote "against" all other matters to be acted upon.

Proxies in the accompanying form which are properly executed and returned to the Company will be voted at the Annual Meeting in accordance with the instructions contained in such proxies and, at the discretion of the proxy holders, on such other matters as may properly come before the meeting. Where no such instructions are given, the shares will be voted for the election of each of the nominees for director, the ratification of Moore Stephens Ellis Foster Ltd. as the independent auditor, and the authorization for a forward split of the common stock.

A stockholder that intends to present a proposal at the 2004 Annual Meeting of Stockholders for inclusion in the Company's proxy statement and form of proxy relating to such meeting must submit such proposal by August 17, 2004. The proposal must be mailed to the Company's offices at Suite 216, 1628 West 1st Avenue, Vancouver, B.C., V6J 1G1.

SUMMARY

Entheos Technologies, Inc. (the Company), through its wholly-owned subsidiary Email Solutions, Inc., serves as an Application Service Provider (ASP) providing reliable, real time, high volume outsourced email services. The Company is currently seeking to augment its position in technology based services through the acquisition of and or joint venture with, other technology based ventures.

The Company is a Nevada corporation with an authorized capital of 200,000,000 shares of \$0.00001 par value common stock, of which 16,104,187 shares are outstanding and 10,000,000 shares of \$0.0001 par value preferred stock, of which none are outstanding.

The Company's 2003 Annual Report provides a review of our operations during the past year.

The following is a brief summary of certain information contained elsewhere in this Proxy Statement. This summary is not intended to be complete and is qualified in all respects by reference to the detailed information appearing elsewhere in this Proxy Statement and the exhibit hereto.

THE MEETING

Date, Time and Place of the Annual Meeting

The Annual Meeting of Entheos Technologies, Inc. is scheduled to be held on August 31, 2004, at 9:00 a.m. (local time) at Suite 216, 1628 West 1st Avenue, Vancouver, B.C., V6J 1G1.

Record Date

Only holders of record of shares of Common Stock at the close of business on June 18, 2004, are entitled to receive notice of and to vote at the Annual Meeting.

Vote Required

Assuming the presence of a quorum, the affirmative vote of a plurality of votes cast is required for the election of each of the nominees for director. A majority of the votes cast with a quorum present at the Annual Meeting will be required for the approval of all other matters to be voted upon.

Accountants

Moore Stephens Ellis Foster Ltd. has been selected by the Company to act as its independent auditor for 2004. It is not expected that the representatives of Moore Stephens Ellis Foster Ltd. will attend the Annual Meeting or be available to answer questions from the stockholders.

Recommendations

THE BOARD OF DIRECTORS OF THE COMPANY UNANIMOUSLY RECOMMENDS THAT THE COMPANY'S STOCKHOLDERS VOTE FOR EACH OF THE NOMINEES FOR DIRECTOR ("PROPOSAL 1"), VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF MOORE STEPHENS ELLIS FOSTER LTD., AS THE COMPANY'S INDEPENDENT AUDITOR FOR THE FISCAL YEAR ENDING DECEMBER 31, 2004 ("PROPOSAL 2") AND TO AUTHORIZE A FORWARD SPLIT OF ENTHEOS TECHNOLOGIES COMMON STOCK (PROPOSAL 3).

PROPOSAL NO. 1:

ELECTION OF BOARD MEMBERS

Nominees

The Company's Board of Directors is currently comprised of three directors. Each of the nominees is presently a director of the Company. If so directed in the enclosed proxy, the persons named in such proxy will vote the shares represented by such proxy for the election of the following named nominees for the office of director of the Company, to hold office until next annual meeting of the stockholders or until their respective successors shall have been duly elected and shall have qualified.

Information Concerning Nominees

Name

Age

Position

Director/Officer Since

Stanley D. Wong

34

President and CEO

February 2003

Terri DuMoulin

37

Treasurer, Secretary & Director

December 2002

Harmel S. Rayat

43

Director

March 1996

The Board of Directors does not contemplate that any of the above-named nominees for director will refuse or be unable to accept election as a director of the Company, or be unable to serve as a director of the Company. Should any of them become unavailable for nomination or election or refuse to be nominated or to accept election as a director of the Company, then the persons named in the enclosed form of proxy intend to vote the shares represented in such proxy for the election of such other person or persons as may be nominated or designated by the Board of Directors. No nominee is related by blood, marriage, or adoption to another nominee or to any executive officer of the Company or its subsidiaries or affiliates.

Assuming the presence of a quorum, each of the nominees for director of the Company requires for his election the approval of a plurality of the votes cast by the shares of Common Stock entitled to vote at the Annual Meeting.

The Board of Directors regard all of the individuals being nominated to the Board as extremely competent professionals with many years of experience in different fields of endeavor, including sales and marketing, management, healthcare, and corporate finance and development. The Board feels that this collective base of experience and knowledge is crucial in the overall development of the Company's business.

Information Concerning Current Officers and Directors

The following narrative describes the positions held by the Company's current officers and directors. During 2003, each board member attended at least 75% of the board meetings that were held while they were in office.

STANLEY D. WONG (Age 34). President, Chief Executive Officer and Director. Mr. Wong has had extensive experience in sales and marketing in the financial services sector. After graduating from Simon Fraser University with a Bachelors of Arts degree in 1996, Mr. Wong joined Vancouver City Savings Union as a Financial Services Officer, a position he held until 2001. Vancouver City Savings Union is Canada's largest credit union, with C\$7.5 billion in assets. Since 2001 to present, Mr. Wong has been with the Canadian Imperial Bank of Commerce as a Financial Advisor specializing in wealth management and financial planning. Mr. Wong joined the Company as a director and its President and Chief Executive Officer on February 10, 2003.

TERRI DuMOULIN (Age 37). Director, Secretary and Treasurer. Ms. DuMoulin has had extensive experience in the investment field dealing with early stage companies. Between June 1995 and October 1996, she worked as a licensed investment advisor's assistant at Canaccord Capital Corp., before taking on the duties of an office manager for a private management firm dealing with junior resource companies during October 1996 through November 1997. During the period from November 1997 through August 2002, she worked as a licensed investment advisor and trader specializing in institutional and high net worth investor trading at several Canadian investment dealers, most recently with Golden Capital Securities Ltd. Since August 2002 to March 2003, Ms. DuMoulin has served as a director and secretary of Greystoke Venture Capital Inc., a private investment firm. Ms. DuMoulin also serves as President, CEO and Director of e.Deal.net, Inc. Ms. DuMoulin has served as a Director of the Company since December 20th, 2002.

HARMEL S. RAYAT (Age 43). Director. Mr. Rayat has been in the venture capital industry since 1981. Between January 1993 and April 2001, Mr. Rayat served as the president of Hartford Capital Corporation, a company that provides financial consulting services to emerging growth corporations. From April 2001 through January 2002, Mr. Rayat acted as an independent consultant advising small corporations. Since January 2002, Mr. Rayat has been president of Montgomery Asset Management Corporation, a privately held firm providing financial consulting services to emerging growth corporations. Mr. Rayat is also a Director of Enterprise Technologies, Inc, e.Deal.net, Inc. and HepaLife Technologies, Inc. Mr. Rayat has served as a Director of the Company since March 18, 1996.

On October 23, 2003, Mr. Harmel S. Rayat, EquityAlert.com, Inc., Innotech Corporation and Mr. Bhupinder S. Mann, a part-time employee of the Company, collectively the respondents, consented to a cease-and-desist order pursuant to Section 8A of the Securities Act of 1933. Without admitting or denying the findings of the Securities and Exchange Commission related to the public relation and stock advertising activities of EquityAlert.com, Inc. and Innotech Corporation, the respondents agreed to cease and desist from committing or causing any violations and any future violations of Section 5(a) and 5(c) of the Securities Act of 1933. EquityAlert.com, Inc. and Innotech Corporation agreed to pay disgorgement and prejudgment interest of \$31,555.14. On August 8, 2000, Mr. Harmel S. Rayat and EquityAlert.com, Inc., without admitting or denying the allegations of the Securities and Exchange Commission that EquityAlert.com, Inc did not disclose certain compensation received by it in connection with stock advertisements and promotions, consented to the entry of a permanent injunction enjoining them from violating Section 17(b) of the Securities Act of 1933; in addition, each agreed to pay a civil penalty of \$20,000.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's directors, officers and persons who own more than 10 percent of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("the Commission"). Directors, officers and greater than 10 percent beneficial owners are required by applicable regulations to furnish the Company with copies of all forms they file with the Commission pursuant to Section 16(a). Other than Mr. Harmel S. Rayat, the Company is not aware of any beneficial owner of more than 10 percent of its registered Common Stock for purposes of Section 16(a).

Based solely upon a review of the copies of the forms furnished to the Company, the Company believes that during fiscal 2003 all filing requirements applicable to its directors and executive officers were satisfied.

Director Compensation

Directors of the Company are paid a stipend of \$250 per month, plus \$100 for each Directors meeting attended. The President of the Company, who is also a Director, receives a monthly stipend of \$350, plus \$100 for each Directors

meeting attended. All Directors are reimbursed for any out-of-pocket meeting expenses.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE INDIVIDUALS NOMINATED FOR ELECTION AS A DIRECTOR.

PROPOSAL NO. 2:

**THE RATIFICATION OF THE APPOINTMENT OF MOORE STEPHENS ELLIS FOSTER LTD.
AS THE COMPANY'S INDEPENDENT AUDITOR**

The Board of Directors has selected Moore Stephens Ellis Foster Ltd. as independent auditors for the Company for the fiscal year ending December 31, 2004, subject to ratification of the selection by shareholders. Moore Stephens Ellis Foster Ltd. has served as independent public accountants for the Company since January 12, 2004, prior to which the firm of Clancy and Co., P.L.L.C, served as the Company's independent public accountants from inception to January 12, 2004.

To the knowledge of the Company, at no time has Moore Stephens Ellis Foster Ltd. had any direct or indirect financial interest in or any connection with the Company or any of its subsidiaries other than in connection with services rendered to the Company as described below.

During and for the year ended December 31, 2003, Moore Stephens Ellis Foster Ltd. provided the following audit, audit-related and other professional services for the Company. The services were as follows:

-

the audit of the annual financial statements included in the Company's Form 10-KSB;

-

Consultation in connection with various tax and accounting matters; and

-

Certain other professional services.

The cost of providing these services during and for the year ended December 31, 2003, by specified categories, were as follows:

Audit Fees: \$3,817 These fees covered the audit of the Company's annual financial statements.

Financial Information Systems Design and Implementation Fees: None

All Other Fees: \$0 These fees covered services principally involving internal audit support and income tax consulting.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF MOORE STEPHENS ELLIS FOSTER LTD. AS THE COMPANY'S INDEPENDENT AUDITOR.

PROPOSAL NO. 3:

FORWARD STOCK SPLIT

The Board of Directors has unanimously adopted a resolution seeking stockholder approval to effect a 6:1 forward split of our issued and outstanding shares of common stock. The number of shares of common and preferred stock authorized and their respective par values will not change as a result of the proposed forward stock split.

Principal Purposes and Effects of the Stock Split

The Board of Directors anticipates that the increase in the number of outstanding shares of common stock resulting from the stock split would place the market price of the Company's Common Stock in a range more attractive to the financial community and the investing public and may result in a broader market for the Company's common stock than that which currently exists. The decreased price level resulting from the stock split may encourage and facilitate trading in the Company's common Stock and possibly promote greater liquidity for the Company's stockholders.

If approved by stockholders, the stock split would increase the number of issued and outstanding shares of the Company's common stock by a factor of six. Following the stock split and based on the number of shares outstanding as of the Record Date, the number of shares of the Company's outstanding common stock would increase to 96,625,122 shares. The stock split would not change the equity interests of the stockholders in the Company and would not affect the relative rights of any stockholder or result in a dilution or diminution of any stockholder's proportionate interest in the Company.

Since the stock split would result in each stockholder's interest being represented by a greater number of shares, it is possible that higher brokerage commission might be payable after the stock split upon a sale or transfer of a stockholder's same relative interest in the Company's common stock because that interest would be represented by a greater number of shares.

As a result of the stock split, the number of shares issuable under the Company's 2001 Stock Option Plan would be proportionately adjusted to reflect the stock split. The exercise price of all outstanding options would also be proportionately adjusted to reflect the stock split.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF A 6:1 FORWARD SPLIT IN THE COMPANY'S COMMON STOCK.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of June 18, 2004, the beneficial ownership of the Company's Common Stock by each director and executive officer of the Company and each person known by the Company to beneficially own more than 5% of the Company's Common Stock outstanding as of such date and the executive officers and directors of the Company as a group.

Number of Shares

Person or Group

of Common Stock

Percent

Harmel S. Rayat (1)

14,782,948

91.7%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Harmel S. Rayat (2)

1,000,000

6.2%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Stanley Wong (3)

5,000

0.03%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Terri DuMoulin (4)

15,000

0.09%

216-1628 West First Avenue

Vancouver, B.C. V6J 1G1 Canada

Directors and Executive Officers

15,802,948

98.02%

as a group (3 persons)

(1) Includes 9,648 shares held by Tajinder Chohan, Mr. Harmel S. Rayat's wife. Additionally, other members of Mr. Rayat's family hold shares. Mr. Rayat disclaims beneficial ownership of the shares and share purchase warrants beneficially owned by his wife and other family members.

(2) Includes 1,000,000 shares, which may be acquired pursuant to stock options granted on February 11, 2003, and exercisable under the Company's stock option plans.

(3) Includes 5,000 shares, which may be acquired pursuant to stock options granted on February 11, 2003, and exercisable under the Company's stock option plans.

(4) Includes 15,000 shares, which may be acquired pursuant to stock options granted on February 11, 2003, and exercisable under the Company's stock option plans.

Voting Intentions of Certain Beneficial Owners and Management

The Company's directors and officers have advised that they will vote the 15,802,948 shares owned or controlled by them FOR each of the Proposals in this Proxy Statement. These shares represented 98% of the outstanding Common Stock of the Company as of June 18, 2004.

Remuneration and Executive Compensation

The following table shows, for the three-year period ended December 31, 2003, the cash compensation paid by the Company, as well as certain other compensation paid or accrued for such year, to the Company's Chief Executive Officer and the Company's other most highly compensated executive officers. Except as set forth on the following table, no executive officer of the Company had a total annual salary and bonus for 2003 that exceeded \$100,000.

Summary Compensation Table

Securities

Underlying

Name and

Options

All Other

Principal Position

Year

Salary

Bonus

Other

Granted

Compensation

Harmel S. Rayat (1)

2003

\$144,000

\$0

\$0

1,000,000

\$0

Director

2002

\$187,333

\$0

\$0

0

\$0

2001

\$144,000

\$0

\$0

0

\$0

Stanley D. Wong

2003

\$0

\$0

\$3,600

5,000

CEO, President,

2002

\$0

\$0

\$0

0

\$0

Director

2001

\$0

\$0

\$0

0

\$0

Terri DuMoulin,

2003

\$0

\$0

\$3,100

15,000

\$0

Secretary, Treasurer,

2002

\$0

\$0

\$0

0

\$0

Director

2001

\$0

\$0

\$0

0

\$0

Kesar S. Dhaliwal (2)

2003

\$104,805

\$0

\$50,000(3)

170,000

\$0

Former CEO, President,

2002

\$127,520

\$0

\$0

0

\$0

Director

2001

\$127,520

\$0

\$0

0

\$0

(1) During 2003, the Company charged \$150,700 (2002 - \$187,333) to operations for management and consulting fees incurred for services rendered by directors, of which \$144,000 was to a director and a major shareholder. On December 13, 2002, the Company settled \$282,666 owing this individual by issuing 14,133,300 shares of the Company at \$0.02 per share, being the fair market value of the common stock on the date of issuance. At December 31, 2003, \$23,812 (2002 - \$0) was included in accounts payable.

(2) Resigned as CEO, President and Director on February 10, 2003.

(3) The Company's Board of Directors agreed to severance pay in the amount of \$50,000.

Stock Option Grants in Last Fiscal Year

Shown below is further information regarding employee stock options awarded during 2003 to the named officers and directors:

Number of
% of Total
Securities
Options Granted
Underlying
to Employees
Exercise
Expiration

Name

Options

in 2003

Price (\$/sh)

Date

Stanley Wong

5,000

0.33

\$0.51

February 11, 2013

Harmel Rayat

1,000,000

66.4

\$0.06

February 11, 2013

Terri DuMoulin

15,000

1.00

\$0.06

February 11, 2013

Kesar Dhaliwal*

170,000

11.3

\$0.06

February 11, 2013

* Resigned as CEO, President and Director on February 10, 2003

Aggregated Option Exercises during Last Fiscal Year and Year End Option Values

The following table shows certain information about unexercised options at year-end with respect to the named officers and directors:

Common Shares Underlying Unexercised

Value of Unexercised In-the-money

Options on December 31, 2003

Options on December 31, 2003

Name

Exercisable

Unexercisable

Exercisable

Unexercisable

Stanley Wong

5,000

0

\$1,700

\$0

Harmel Rayat

333,333

666,667

\$113,333

\$226,667

Terri DuMoulin

5,000

10,000

\$1,700

\$3,400

Related Transactions

Officer Loans: Officer loans at December 31, 2002 represent a loan in the amount of \$40,000 dated September 10, 2001, to the former President of the Company, plus \$3,267 of accrued interest, both principle and interest are due at maturity, which is September 10, 2003. The Company settled the loan balance with the severance pay to this individual of \$50,000 in a non-cash transaction, with the balance of \$6,733 paid on December 30, 2003.

Marketable Equity Securities: Marketable equity securities at December 31, 2003, represents the fair market value of 600,625 shares of common stock of e.Deal.net, Inc., a public Company that trades on the OTC Bulletin Board. At December 31, 2003, the fair marked value was \$192,168 and an unrealized gain of \$144,118 was credited to accumulated other comprehensive income representing the difference between the cost and the stated market value as determined by the most recently traded price at the balance sheet date, which was \$0.32 per share.

On August 7, 2002, the Company agreed to accept 600,625 shares of restricted common stock from e.Deal.net in lieu of the cash payment of \$48,050 due from e.Deal.net for web development and web hosting services rendered by the Company. The number of e.Deal.net shares issued to satisfy its debt to the Company was calculated based on the most recent quoted market closing price of e.Deal.net's common stock (\$0.08 per share) at the settlement date. A director and majority stockholder of the Company is also the Director, Secretary and Treasurer of e.Deal.net.

Management and Consulting Fees: During 2003, the Company charged \$150,700 (2002 - \$187,333) to operations for management and consulting fees incurred for services rendered by directors, of which \$144,000 was to a director and a major shareholder. On December 13, 2002, the Company settled \$282,666 owing this individual by issuing 14,133,300 shares of the Company at \$0.02 per share, being the fair market value of the common stock on the date of issuance. At December 31, 2003, \$23,812 was included in accounts payable.

Revenues: Substantially all (98%) of the Company's revenues for 2002 were derived from entities (e.Deal.net, Inc. and Innotech Corporation) whose director and majority shareholder is also the Company's majority shareholder and director. During the fourth quarter of 2002, the Company wrote off \$459,798 in accounts receivable representing amounts due from Innotech, which no longer has the ability to repay.

The Company did not generate any revenue in 2003.

Property: The Company's corporate offices, located at Suite 216, 1628 West 1st Avenue, Vancouver, British Columbia, Canada, are owned by a privately held corporation controlled by director and majority shareholder of the Company. At present, the Company pays no rent. The fair value of the rent has not been included in the financial

statements because the amount is immaterial.

Co-Location Services: Between March 2003 and September, 2003, the Company paid a fee \$1,000 per month for co-location services to an entity controlled by the Company's former President and CEO.

Employment Contracts

The Company does not have any employment contracts with any of its officers or employees.

COPIES OF FORM 10-KSB

The Company hereby undertakes to provide without charge to each person, including any beneficial owner, to whom a copy of this Proxy Statement has been delivered, on the written request of any such person, a copy of the Company's most recent Form 10-KSB. Written requests for such copies should be directed to Stanley Wong, a Director of the Company, at Suite 216, 1628 West 1st Avenue, Vancouver, B.C., V6J 1G1.

ENTHEOS TECHNOLOGIES, INC.

216 1628 West 1st Avenue

Vancouver, B.C. V6J 1G1

PROXY FOR 2004 ANNUAL MEETING OF STOCKHOLDERS

This proxy is solicited on behalf of the Board of Directors of Entheos Technologies, Inc.

The undersigned, a stockholder of Entheos Technologies, Inc. (the Company) hereby constitutes and appoints each of Mr. Stanley D. Wong and Ms. Terri DuMoulin the attorney, agent and proxy of the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to vote and act with respect to all of shares of the Common Stock of the Company standing in name of the undersigned or in respect of which the undersigned is entitled to vote, with all powers of the undersigned would process if personally present at such meeting upon the following matters, and otherwise in his discretion:

FOR AGAINST ABSTENTION

ITEM 1.

To elect directors to serve until the next annual

meeting of stockholders or until their successors

are elected and have qualified.

Mr. Stanley D. Wong

[] []

[]

Ms. Terri DuMoulin

[] []

[]

Mr. Harmel S. Rayat

[] []

[]

ITEM 2.

To ratify the appointment of Moore

Stephens

[] []

[]

Ellis Foster for the fiscal year ending

December 31, 2004

ITEM 3.

To authorize a 6:1 forward split of Entheos

[] []

[]