

GILDER ENTERPRISES INC
Form SB-2/A
August 10, 2004

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

AMENDMENT NO. 2 TO

FORM SB-2

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

GILDER ENTERPRISES, INC.

(Name of small business issuer in its charter)

NEVADA

(State or jurisdiction of incorporation
or
organization)

4813

(Primary Standard Industrial
Classification Code Number)

98-0373793

(I.R.S. Employer Identification No.)

3639 Garibaldi Drive

North Vancouver, British Columbia, Canada V7H 2W2

Telephone: (604) 924-8180

(Address and telephone number of principal executive offices)

3639 Garibaldi Drive

North Vancouver, British Columbia, Canada V7H 2W2

(Address of principal place of business or intended principal place of business)

Michael H. Taylor, Esq.

Lang Michener LLP

1055 West Georgia Street, Suite 1500

Vancouver, British Columbia, Canada V6E 4N7

Tel: 604-689-9111

(Name, address and telephone number of Agent for Service)

Approximate date of commencement of proposed sale to the public: **As soon as practicable after the effective date of this Registration Statement.**

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. "

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Dollar Amount To Be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock	3,667,500 shares	\$0.25	\$916,875	\$116.17

(1) Based on last sales price on May 14, 2003

(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457 under the Securities Act.

The Registrant Hereby Amends This Registration Statement On Such Date Or Dates As May Be Necessary To Delay Its Effective Date Until The Registrant Shall File A Further Amendment Which Specifically States That This Registration Statement Shall Thereafter Become Effective In Accordance With Section 8(A) Of The Securities Act Of 1933 Or Until The Registration Statement Shall Become Effective On Such Date As The Commission, Acting Pursuant To Section 8(A), May Determine.

SUBJECT TO COMPLETION, Dated August 3, 2004

PROSPECTUS

GILDER ENTERPRISES, INC.

3,667,500 SHARES
COMMON STOCK

The selling shareholders named in this prospectus are offering all of the shares of our common stock offered through this prospectus. We will not receive any proceeds from this offering. We have set an offering price for these securities of \$0.25 per share.

	Offering Price	Commissions	Proceeds to Selling Shareholders Before Expenses and Commissions
Per Share	\$0.25	Not Applicable	\$0.25
Total	\$916,875	Not Applicable	\$916,875

Our common stock is presently not traded on any market or securities exchange.

The sales price to the public is fixed at \$0.25 per share until such time as the shares of our common stock are traded on the Over-The-Counter Bulletin Board. Although we intend to apply for trading of our common stock on the over-the-counter bulletin board, public trading of our common stock may never materialize. If our common stock becomes traded on the over-the-counter bulletin board, then the sale price to the public will vary according to prevailing market prices or privately negotiated prices by the selling shareholders.

The purchase of the securities offered through this prospectus involves a high degree of risk. See section entitled "Risk Factors" on pages 3-9.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The Date Of This Prospectus Is: August 3, 2004

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Until _____, all dealers that effect transactions in these securities whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Summary

As used in this prospectus, unless the context otherwise requires, "we", "us", "our", the "Company" or "Gilder" refers to Gilder Enterprises, Inc. All dollar amounts in this prospectus are in U.S. dollars unless otherwise stated. The following summary is not complete and does not contain all of the information that may be important to you. You should read the entire prospectus before making an investment decision to purchase our common shares.

Gilder Enterprises, Inc.

We were incorporated on April 25, 2002 under the laws of the State of Nevada. Our principal offices are located at 3639 Garibaldi Drive, North Vancouver, British Columbia, Canada V7H 2W2. Our telephone number is (604) 924-8180.

We own 51% of Nex Connectivity Solutions Inc. ("Nex Connectivity Solutions"), a Canadian federal corporation incorporated on March 25, 2003. We own the majority interest in Nex Connectivity Solutions together with our joint venture partner, 5G Wireless Communications Pte. Ltd. ("5G Wireless"), a Singapore company that owns the remaining 49% interest in Nex Connectivity Solutions. Nex Connectivity Solutions was incorporated in order that we could carry out a joint venture in Canada with 5G Wireless for the design, building, owning and operation of specialized Internet access networks, initially serving the needs of business travelers.

Nex Connectivity Solutions has secured its initial contract for the installation and operation of a high-speed Internet access network at the Empire Landmark Hotel, a hotel property in Vancouver, British Columbia, Canada. The Empire Landmark Hotel is owned and operated by Asia Standard Hotel (Holdings) Limited, based in Hong Kong.

This initial contract will require Nex Connectivity Solutions to complete the installation of the Internet access network at its cost and will provide revenues on a revenue-sharing basis with the hotel property owner based on revenues generated from hotel customer use of the Internet access network. Nex Connectivity Solutions plans to use this initial contract as an initial step into the Internet access network operations business in the Vancouver area. If Nex Connectivity Solutions is successful in securing additional contracts for Internet access network operations in the Vancouver area, then our business plan is to expand the business into new geographical areas and into new target markets, such as convention centers and institutions.

Our business operations and the operations of Nex Connectivity Solutions are in the start-up phase. Nex Connectivity Solutions commenced earning revenues in May 2004. These revenues are attributable to completion of the initial Internet access network installation contract secured by Nex Connectivity Solutions in February 2004 and the commencement of operations of this network in May 2004. We plan to use revenues from this initial project to fund further expansion to the extent that such funds are available to fund further expansion. However, there is no assurance that revenues from this initial project will be sufficient to pursue further Internet access network installations without additional financing, of which there is no assurance.

Our financial information as of May 31, 2004 and May 31, 2003 is summarized below:

Consolidated Balance Sheet:

	Year Ended May 31, 2004 (Audited)	Year Ended May 31, 2003 (Audited)
Cash	\$27,394	\$57,581
Total Assets	\$47,639	\$74,305
Total Liabilities	\$33,287	\$9,574

Total Stockholders' Equity	\$14,352	\$64,546
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Statement of Operations:

	Year Ended May 31, 2004 (Audited)	Year Ended May 31, 2003 (Audited)
Revenue	\$1,159	\$-
Operating Expenses	\$51,538	\$19,331
Minority Interest	\$185	(\$148)
Net Loss from Continued Operations	\$50,194	\$19,418
Net Loss from Discontinued Operations	\$-	\$18,355
Net Loss	\$50,194	\$37,773
Net Loss Per Share	(\$0.01)	(\$0.00)

The Offering

Securities Being Offered Up to 3,667,500 shares of our common stock.

Offering Price and Alternative Plan of Distribution The offering price of the common stock is \$0.25 per share. We intend to apply to the Over-The-Counter Bulletin Board to allow the trading of our common stock upon our becoming a reporting entity under the Securities Exchange Act of 1934. If our common stock becomes so traded and a market for the stock develops, the actual price of stock will be determined by market factors. The offering price would thus be determined by market factors and the independent decisions of the selling shareholders.

Minimum Number of Shares To Be Sold in This Offering None.

Securities Issued And to be Issued 7,855,000 shares of our common stock are issued and outstanding as of the date of this prospectus. All of the common stock to be sold under this prospectus will be sold by existing shareholders.

Use of Proceeds We will not receive any proceeds from the sale of the common stock by the selling shareholders.

Risk Factors See "Risk Factors" and the other information in this prospectus for a discussion of the factors you should consider before deciding to invest in our common shares.

Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the risk factors described below before investing in our common stock. These risk factors describe all of the material risk factors that we face. If any of the following risks occur, our business, operating results and financial condition could be seriously harmed. The trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment.

Risks Related To Our Financial Condition And Business Model

If We Do Not Successfully Operate Our Initial Internet Access Network Installation For The Empire Landmark Hotel Property In Vancouver, British Columbia, Then We Will Not Achieve Sufficient Revenues To Enable Us To Sustain Operations and Our Business May Fail.

We have secured a contract to install and operate an Internet access network at the Empire Landmark Hotel property in Vancouver, British Columbia in February 2004. We completed the installation of this Internet access network in May 2004 and operations commenced in May 2004. This contract is our first Internet access network installation and operation. The completion of this contract has consumed most of our available financial resources. We earn revenues on a revenue sharing basis with the hotel property owner that is based on Internet usage. We own this network and accordingly, we have not been paid any upfront purchase price or installation fee by the hotel property owner. Our ability to increase our revenues and a return on our investment on this installation contract will be dependent on our ability to generate and maintain usage of the Internet access network by hotel guests at the hotel property. If we are not successful in operating our initial hotel Internet access networks by generating usage of the installed Internet access network, then we will not achieve revenues as planned. If we are not successful at earning revenues or if revenues are less than anticipated, we may not have sufficient financial resources to continue with other network installations. In this event, we may not be able to continue business operations and our business may fail.

If We Do Not Achieve Additional Financing Or Significant Revenues From Operations, Then Our Business May Fail.

We had cash of \$27,394 and working capital of \$5,978 as of May 31, 2004. Our plan of operations calls for us to spend approximately \$141,000 to \$161,000 over the next twelve-month period in pursuing our plan of operations to establish our Internet access network installation business. In order to achieve our plan of operations, we will require additional financing. The amount of financing will be dependent in part on the amount of revenues that we are able to generate from our initial hotel Internet access networks. There is no assurance that we will be able to achieve the necessary additional financing that will be sufficient for us to carry out our plan of operations for the next twelve months. We anticipate that we will not be able to achieve conventional debt financing due to the start up nature of our business and our lack of tangible assets. Accordingly, we anticipate that any additional funds will be raised through equity financings by way of additional sales of our common stock and/or securities that are convertible into shares of our common stock. There can be no assurance that additional financings will be available on terms acceptable to us, or at all. If we are not successful in achieving additional financing, then we may not be able to continue our business operations and our business may fail.

If We Are Required To Complete Additional Equity Financings, Then Our Existing Shareholders May Experience Dilution.

We anticipate that any additional financing that we obtain will be in the form of equity financings due to the start up nature of our business and our current inability to obtain conventional debt financing. Equity financings would involve the sales of our common stock and/or sales of securities that are convertible or exercisable into shares of our common stock, such as share purchase warrants or convertible loans. There is no assurance that we will be able to complete equity financings at prices that are not dilutive to our existing shareholders. The price of further equity offerings will

be dependent on a number of factors, including our initial success in establishing our business operations. Accordingly, any additional financings may be on terms that are dilutive or potentially dilutive to our current shareholders.

If We Do Not Achieve Anticipated Revenues Or If Our Expenses Are Greater Than Anticipated, Then We Will Have Less Funds with which to Pursue Our Plan of Operations and We Will Have To Scale Back Our Plan Of Operations.

We have only recently commenced our plan of operations and we have reported minimal revenues to date. We currently do not have sufficient financial resources to carry out our plan of operations over the next twelve months. Our plan of operations is predicated on our ability to earn revenues from our initial hotel Internet access networks. If revenues from our initial installations and operations are less than anticipated, then we will have less funds with which to pursue our plan of operations. In addition, there is a risk that the anticipated expenses of completing installations of hotel Internet access networks will be greater than we have anticipated. In either of these cases, we will be forced to scale back our plan of operations to conform our expenditures to our available funds, unless we are able to achieve additional financing. If we are forced to scale back our operations, there is no assurance that we will be able to complete a sufficient number of hotel Internet access network installations in order for us to achieve sufficient revenues and cash flows to continue our business operations. In this event, our business may fail.

As We Are A Start Up Business Without Any Operating History or History of Revenues, There Is No Assurance That We Will Achieve Anticipated Revenues Or That Our Business Will Succeed.

We formed our joint venture with 5G Wireless in May 2003. Nex Connectivity Solutions, our joint venture company, secured its first contract for a hotel Internet access network installation in February 2004. We have completed installation and commissioning of the Internet access network for the hotel and full operations of the Internet access network commenced in May 2004. We face substantial risks to our ability to generate revenues and achieve anticipated revenues as we are in the start-up phase of our business. These risks to our ability to generate revenues include our ability to:

- (a) Successfully operate our initial hotel Internet access network;
- (b) Secure additional contracts for new network installations and operations for additional hotel property owners;
- (c) Achieve revenues from Internet usage on the hotel Internet access networks that we install and operate; and
- (d) Manage and support on an ongoing basis the hotel Internet access networks that we install in order to ensure the reliable and efficient operation of these networks.

There is no assurance that we will be able to successfully address these risks and generate revenues. Our failure to address these risks will result in our failure to achieve revenues as planned, our having less cash than anticipated with which to pursue our plan of operations and the failure of our business.

As the Report from Our Auditor on Our Consolidated Financial Statements Expresses a Substantial Doubt About Our Ability To Continue As A Going Concern, There Is No Assurance That Our Business Will Not Fail.

Our consolidated financial statements included with this prospectus have been prepared assuming we will continue as a going concern. Our independent auditors have made reference to the substantial doubt about our ability to continue as a going concern in their report of independent registered public accounting firm on our audited financial statements for the year ended May 31, 2004. As discussed in the notes to our audited financial statements, we had only recently commenced revenue-generating operations and had accumulated operating losses of \$90,898 since our inception. Our continuation is dependent upon our achieving a profitable level of operations as well as obtaining further long-term financing. These factors raise substantial doubt that we will be able to continue as a going concern. Our financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As We Plan to Enter Into Network Installation Agreements That Will Require Us To Install Internet Access Networks at Our Cost Without Any Minimum Revenue Guarantees, We May Pay For the Full Cost of An

Internet Access Network Without Any Corresponding Revenues With the Result That Our Revenues Will

Be Less Than Anticipated, We Will Have Less Cash With Which to Pursue Our Plan of Operations and Our Business May Fail.

Our business plan contemplates that we will enter into Internet access network installation agreements with hotel property owners where we will pay for the full up-front cost of installation of the Internet access network. We anticipate that we will not be able to negotiate any minimum revenue payments from hotel owners notwithstanding that we will pay for the full up-front installation cost. Accordingly, we will not be able to recover our capital or operating costs associated with the installation and operation of an Internet access network if we do not achieve revenues from operation of the network that we install. In this event, our revenues will be less than anticipated, we will have less cash with which to pursue our plan of operations and our business may fail.

As Our Plan Of Operations Calls For The Continued Expansion Of Our Business, We Anticipate That We Will Incur Ongoing Losses For The Foreseeable Future.

We will be required to undertake significant expenses in connection with the installation, commissioning and operation of our initial hotel Internet access networks. Our network contracts are anticipated to be structured on a revenue sharing basis whereby we will install the network at our expense, the networks will be owned by us, and we will share revenues with hotel property owners. We will achieve revenues on an ongoing basis from Internet usage, rather than being paid upfront upon completion of each installation. Accordingly, we anticipate that we will initially incur operating losses. Further, our business plan calls for continued expansion through the installation of additional hotel Internet access networks. Due to the delay of revenues resulting from our revenue sharing arrangements and our continued planned expansion, we anticipate that we will continue to incur operating losses in the foreseeable future.

While Our Shareholders Agreement for Nex Connectivity Solutions Contemplates That We and 5G Wireless Will Provide Financing to Nex Connectivity Solutions, There Is No Assurance That Either We Or 5G Wireless Will Be Able To Provide Financing for Nex Connectivity Solutions. Failure of Either Us or 5G Wireless To Provide Financing for Nex Connectivity Solutions May Cause The Business of Nex Connectivity Solutions to Fail.

Our Internet access network business will be carried out by Nex Connectivity Solutions. We own a 51% interest in Nex Connectivity Solutions and our joint venture partner, 5G Wireless, owns a 49% interest. Our ownership of Nex Connectivity Solutions is governed by a shareholders agreement between us and 5G Wireless. Our shareholders agreement for Nex Connectivity Solutions contemplates that, upon a demand made by the majority of the board of directors of Nex Connectivity, that we and 5G Wireless will provide financing to Nex Connectivity Solutions as shareholders loans on a pro rata basis. However, there is no assurance that either we or 5G Wireless will be able to provide the necessary financing to Nex Connectivity Solutions upon a request for shareholders loans in order to fund the business operations of Nex Connectivity Solutions. If either we or 5G Wireless are unable to provide the necessary financing, then the business of Nex Connectivity Solutions may fail. Further, if 5G Wireless provides financing and we do not, then 5G Wireless will be entitled to repayment of the funds advanced as a shareholders loan prior to any distribution of net income to us.

As a Result of Our Shareholders Agreement with 5G Wireless for Nex Connectivity Solutions, Even If Nex Connectivity Solutions Achieves Net Profits, Of Which There Is No Assurance, We Will Not Be Entitled To Any Distribution of Net Profits Until May 25, 2005, At The Earliest, and Thereafter Only After All Shareholders Loans by Us and 5G Wireless to Nex Connectivity Solutions Have Been Repaid.

As a result of our ownership interest in Nex Connectivity Solutions, we are entitled to 51% of the net profit of Nex Connectivity Solutions. Our entitlement to 51% of the net profit of Nex Connectivity Solutions is pursuant to the shareholders agreement between us and 5G Wireless with respect to our ownership and operation of Nex Connectivity Solutions. This shareholders agreement provides that the net profit of Nex Connectivity Solutions will be paid to us and 5G Wireless first by the repayment of all shareholders loans advanced by us and 5G Wireless to Nex Connectivity

Solutions and second by payment of dividends. Presently, we have advanced \$25,500 to Nex Connectivity Solutions as a shareholders loan. Further, 5G Wireless is presently owed \$10,000 as a shareholders loan in respect of equipment provided by 5G Wireless to Nex Connectivity Solutions. Each of these amounts must be repaid before any distribution of profit will be made by Nex Connectivity Solutions to us and 5G Wireless by way of payment of dividends. Further, we and 5G Wireless have agreed that there will be no distribution of net profits for the first 24 months of the term of the shareholders agreement, which commenced on May 25, 2003. Accordingly, we will not be entitled to any distribution of profits by way of dividends until May

25, 2005 at the earliest and then only after all shareholders loans, including the \$10,000 owed by Nex Connectivity Solutions, have been repaid by Nex Connectivity Solutions. If and when any dividends are declared by Nex Connectivity Solutions, we will receive 51% of dividends based on our ownership of 51% of the common shares of Nex Connectivity Solutions and 5G Wireless will receive the balance of 49% of dividends.

If The Cost Of New Technology Developments Increases Our Cost Of Doing Business, Then Our Losses Will Increase, We Will Have Less Funds With Which to Fund Our Business Operations and Our Business May Fail.

We plan to design and offer technology solutions to hotel property owners that incorporate state-of-the-art technology. We believe that we will be required to continually update our Internet access networks to incorporate technology solutions that will enable us to offer our hotel customers with state-of-the-art products and services that are demanded by business travelers. We believe this will be necessary in order to satisfy the needs of business travelers at hotel properties and to maintain a competitive advantage. However, incorporating the latest technological developments into our technology solutions may cause the installation costs of our hotel Internet access networks to increase. If we are unable to achieve additional revenues to cover these increased costs, then our losses will be greater than anticipated and we will have less funds with which to pursue our plan of operations.

As Our Joint Venture Partner, 5G Wireless Is To Provide Specialized Expertise And Know-How Regarding Internet Access Network Installations And Operations, There Is No Assurance That We Will Be Able To Carry Out Our Plan Of Operations If 5G Wireless Is Unable To Provide The Necessary Technical Expertise And Personnel.

Under the terms of our joint venture agreement with 5G Wireless, 5G Wireless is to provide specialized expertise and know-how in the area of Internet access network installations and operations to the joint venture. Initially, 5G Wireless will provide the services of Mr. Dennis Tan, chief technical manager of Nex Connectivity Solutions, and Mr. Cyril Sacault, user support manager of Nex Connectivity Solutions. In the event of the departure of either Mr. Tan or Mr. Sacault from Nex Connectivity Solutions for any reason or the inability of 5G Wireless to provide further technical expertise or support, then there is a risk that we will not be able to carry out our plan of operations or achieve revenue with the result that our business will fail.

If The Technology Solutions That We Hope To Incorporate In Our Internet Access Networks Become Obsolete, Then We Will Not Achieve Expected Revenues or Profitability and We Will Not Have Sufficient Funds With Which to Pursue Our Plan of Operations and Our Business May Fail.

The Internet access networks will be subject to obsolescence due to changing technologies, changing industry standards, changing customer needs and new software introductions. If our installed Internet access networks become obsolete or if we fail to adapt to new customer needs, then we may not reach our expected level of revenue, we will not achieve profitability and we will have less funds with which to pursue our plan of operations.

Interruptions In Internet Access Caused By Telecommunications Carriers And Other Suppliers May Cause Us Not To Be Able To Provide Internet Service To Our Customers With The Result That Our Revenues May be Lower Than Anticipated.

We will be relying on local telecommunications and other companies to provide the telecommunications links that will enable hotel guests to access the Internet through our Internet access networks. Accordingly, disruptions or capacity constraints in these telecommunication services will result in our customers not being able to access the Internet through our Internet access networks. We will have no means of remedying these problems or replacing these services on a timely basis or at all in the event of a disruption or capacity problem. Our operations and services will also be dependent on the extent to which the telecommunications services of the third party suppliers are protected from damage and telecommunication failures and similar events, operational disruptions, natural disasters, power loss or for any other reasons. Any accident, incident, system failure or discontinuation of operations involving a third party

supplier will cause interruptions to our Internet service operations which would disrupt our ability to provide Internet access services to our customers and, in turn, result in our earning less revenue than anticipated, our having less cash than anticipated with which to pursue our plan of operations and our incurring greater losses.

If We Are Unable To Maintain The Security Of Our Internet Access Networks, Then Expenses Associated With the Operation of Our Internet Access Networks Will Be Greater Than Anticipated and Revenues From Operations will be Less Than Anticipated.

Despite security measures that we plan to implement, our Internet access network infrastructure may be vulnerable to computer viruses, hacking or other similar disruptive problems caused by customers, other Internet users, other connected Internet sites and interconnecting telecommunications networks. Such problems caused by third parties could lead to interruptions, delays, or cessation in service to our customers. Inappropriate use of the Internet by third parties could also potentially jeopardize the security of confidential information stored in our computer systems or those of our customers. These security problems could cause us to lose customers or deter potential hotel guests from becoming customers. Further, we anticipate that our customers will be using our Internet access services to complete transactions of a commercial nature. Any network malfunction or security breach could cause such transactions to be delayed, not completed at all, or completed with compromised security. There can be no assurance that customers or others will not assert claims of liability against us as a result of any failure or security breach. Further, until more comprehensive security technologies are developed, security and privacy concerns of potential customers may inhibit the growth of our customer base and revenues. In view of these factors, our inability to maintain the security of our networks could result in our expenses being greater than anticipated and our revenues less than anticipated, each of which would increase our losses, decrease our profitability and result in us having less cash with which to pursue our plan of operations.

If The Third Party Equipment Hosting Operators That We Rely Upon Suffer Service Problems, Then Expenses Associated With the Operation of Our Internet Access Networks Will Be Greater Than Anticipated and Revenues From Operations will be Less Than Anticipated.

Our plan is to locate critical server equipment dedicated to our Internet access services, including our network operations centers, in an equipment hosting facility operated by an independent third party. In this event, we will be relying on the equipment hosting operator to provide security services and to provide redundant or back up equipment and telecommunications facilities. However, despite these precautions, our operations will be subject to disruptions in service or other unanticipated problems suffered by the equipment hosting operator. Disruptions in our Internet access services could result in our customers deciding to cancel or reduce the use of our services. Accordingly, any disruption of our Internet access services due to system failures by the third party equipment hosting operator could result in our expenses being greater than anticipated and our revenues less than anticipated, each of which would increase our losses, decrease our profitability and result in us having less cash with which to pursue our plan of operations.

As We Plan To Purchase Commercially Available Components For Our Technology Solutions, Rather Than Develop And Own Our Own Technology, We Will Have Limited Proprietary Protection For Our Technology Solutions.

We plan to design Internet access networks using technology solutions based on commercially available hardware and software. We do not plan to develop our own software or hardware products. Accordingly, competitors will be able to purchase the same hardware and software components that we will integrate into our Internet access networks. Accordingly, there is a risk that competitors will replicate the technology solutions that we provide to our customers. Further, we will be at risk to hardware suppliers and software vendors who may increase their prices or may discontinue their operations. If software vendors from whom we have purchased software discontinue their operations, we may not be able to obtain support for the software we have installed on our networks. If prices of hardware and software components that we integrate into our technology solutions are increased, we may be forced to incur the increased expense or source different components that may not be optimal for our technology solutions. Based on these factors, the fact that we do not own the proprietary technology underlying our Internet access networks may cause our expenses to be greater than anticipated and our revenues to be less than anticipated, each of which would increase our losses, decrease our profitability and result in us having less cash with which to pursue our plan of

operations.

As our management has limited experience in the deployment of Internet access network solutions, we may not be able to carry out our plan of operations with the result that we may not achieve significant revenues and our business may fail.

Our management and board of directors has limited experience in the marketing and deployment of Internet access networks. Our president, Mr. Joseph Bowes, does not have any scientific training or technical expertise in the area of Internet access networks. Accordingly, our management and board of directors may not be able to successfully implement our plan of operations in order to market and deploy our Internet access networks to the hotel industry. If we are not able to successfully market and deploy Internet access networks to the hotel industry, then we will not be able to achieve significant revenues, we will have less cash with which to pursue our plan of operations and our business will fail.

If Business Travellers Adopt a Wireless Computing Standard Other Than the Wi-Fi 802.11 Protocol, Then Business Travellers May Not Be Able to Connect To Our Internet Access Networks With the Result That We May Not Earn Revenues That We Anticipate From Our Internet Access Networks, We Will Have Less Cash With Which to Pursue Our Plan of Operations and Our Business Will Fail.

We plan to install Internet access networks that will enable users, including business travelers, to connect using Wi-Fi 802.11 protocol enabled laptop computers. Our Internet access networks will include hardware and software that will enable users who own properly configured 802.11 wireless enable laptop computers to connect and use our Internet access services. If our targeted user market, primarily business travelers, adopt a different wireless protocol or purchase computer equipment that uses a different wireless protocol, then the hardware and software that we incorporate into our Internet access networks may not enable users to connect to the Internet and use our Internet access services. In this event, our business will suffer as we will not be able to earn revenues from Internet access services from those users who adopt the different protocol. Accordingly, if our targeted user market adopts a wireless protocol or standard different from the current Wi-Fi 802.11 protocol, then our revenues will be reduced, we will have less cash with which to pursue our operations and our business may fails.

The Introduction Of New Government Regulation Could Increase Our Expenses, Reduce the Amount of Cash We Have With Which To Pursue Our Plan of Operations and Cause Our Losses to Increase

We anticipate that we will not be subject to any direct regulation by any government agencies, although we will be required to comply with general regulations that are applicable to all businesses. We are currently not regulated by either the Canadian Radio Telephone Telecommunications Commission (the "CRTC") in Canada or the Federal Communications Commission (the "FCC") in the United States; however, Internet related regulatory policies are continuing to develop and it is possible that our business operations could be the subject of regulation from either the CRTC or the FCC in the future. Additionally, it is possible that additional laws and regulations may be adopted that directly impact on our business operations. Additional laws and regulations could include laws and regulations governing content, privacy, pricing, encryption standards, consumer protection, electronic commerce, taxation, copyright infringement and other intellectual property issues. Increased regulation governing the Internet or the installation and operation of Internet access networks could increase our cost of doing business and may result in a decline in Internet usage by business travelers and hotel properties. Accordingly, increased government regulation could increase the cost to us of carrying out our plan of operations with the result that our expenses may be higher than anticipated, we will have less cash with which to pursue our operations and we will incur greater losses.

If A Market For Our Common Stock Does Not Develop, Shareholders May Be Unable To Sell Their Shares.

There is currently no market for our common stock and we can provide no assurance that a market will develop. We currently plan to apply for trading of our common stock on the Over-The-Counter Bulletin Board upon the effectiveness of the registration statement of which this prospectus forms a part. However, we can provide investors with no assurance that our shares will be traded on the bulletin board or, if traded, that a public market will

materialize. If our common stock is not traded on the bulletin board or if a public market for our common stock does not develop, investors may not be able to re-sell the shares of our common stock that they have purchased and may lose all of their investment.

If The Selling Shareholders Sell A Large Number Of Shares All At Once Or In Blocks, The Market Price Of Our Shares Would Most Likely Decline.

The selling shareholders are offering 3,667,500 shares of our common stock through this prospectus. Our common stock is presently not traded on any market or securities exchange, but should a market develop, shares sold at a price below the current market price at which the common stock is trading will cause that market price to decline. Moreover, the offer or sale of a large number of shares at any price may cause the market price to fall. The outstanding shares of common stock covered by this prospectus represent approximately 49% of the common shares outstanding as of the date of this prospectus.

Because A Portion Of Our Operating Expenses And Revenues Are In Canadian Dollars, Our Financial Results And Operating Condition May Be Impacted By Currency Fluctuations In The Canadian Dollar In Comparison To The U.S. Dollar.

Our reporting currency is the U.S. dollar. The majority of our operating expenses are incurred in Canadian dollars as our operations are located in Vancouver, British Columbia, Canada. In addition, presently all of our revenues are earned from the operation of our sole installed Internet access network located in Vancouver, British Columbia, Canada in Canadian dollars. Accordingly, our financial results and operating condition will be affected by currency fluctuations in the Canadian dollar in comparison to the U.S. dollars. An increase in the United States dollar in comparison to the Canadian dollar will have the effect of decreasing the U.S. dollar amount of our revenues while decreasing the U.S. dollar amount of our operating expenses. Similarly, a decrease in the United States dollar in comparison to the Canadian dollar will have the effect of increasing the U.S. dollar amount of our revenues while increasing the U.S. dollar amount of our operating expenses. Our net profits will be decreased or our net losses will be increased if either: (i) the decrease in our revenues attributable to currency fluctuations exceeds the decrease in costs attributable to currency fluctuations; or (ii) the increase in our revenues attributable to currency fluctuations does not exceed the increase in costs attributable to currency fluctuations.

Forward-Looking Statements

This prospectus contains forward-looking statements that involve risks and uncertainties. We use words such as anticipate, believe, plan, expect, future, intend and similar expressions to identify such forward-looking statements. You should not place too much reliance on these forward-looking statements. Our actual results are most likely to differ materially from those anticipated in these forward-looking statements for many reasons, including the risks faced by us described in this Risk Factors section and elsewhere in this prospectus.

Use Of Proceeds

We will not receive any proceeds from the sale of the common stock offered through this prospectus by the selling shareholders.

Determination Of Offering Price

The \$0.25 per share offering price of our common stock was determined based on the last sales price from our most recent private offering of common stock. There is no relationship whatsoever between this price and our assets, earnings, book value or any other objective criteria of value.

We intend to apply to the Over-The-Counter Bulletin Board for the trading of our common stock upon our becoming a reporting entity under the Securities Exchange Act of 1934. We intend to file a registration statement under the Exchange Act concurrently with the effectiveness of the registration statement of which this prospectus forms a part. If our common stock becomes so traded and a market for the stock develops, we anticipate the actual price of sale would vary according to the selling decisions of each selling shareholder and the market for our common stock at the time of re-sale. The offering price would thus be determined by market factors and the independent decisions of the selling shareholders. The actual price of stock will be determined by market factors at the time of sale.

Dilution

The common stock to be sold by the selling shareholders is common stock that is currently issued and outstanding. Accordingly, there will be no dilution to our existing shareholders.

Selling Shareholders

The selling shareholders named in this prospectus are offering all of the 3,667,500 shares of common stock offered through this prospectus. The shares include the following:

1. 3,562,500 shares of our common stock that the selling shareholders acquired from us in an offering that was exempt from registration under Regulation S of the Securities Act of 1933 and completed on June 14, 2002;
2. 75,000 shares of our common stock that the selling shareholders acquired from us in an offering that was exempt from registration under Regulation S of the Securities Act of 1933 and completed on April 30, 2003;
3. 30,000 shares of our common stock that the selling shareholders acquired from us in an offering that was exempt from registration under Regulation S of the Securities Act of 1933 and completed on May 14, 2003;

None of the selling shareholders are registered broker-dealers or affiliates of registered broker-dealers.

The following table provides as of August 3, 2004, information regarding the beneficial ownership of our common stock held by each of the selling shareholders, including:

1. the number of shares owned by each prior to this offering;
2. the total number of shares that are to be offered by each;
3. the total number of shares that will be owned by each upon completion of the offering;
4. the percentage owned by each upon completion of the offering; and
5. the identity of the beneficial holder of any entity that owns the shares.

Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
DANIELLE ALIE 3555 Westminster Highway, #34 Richmond, BC V7C 5P6	1,000	1,000	NIL	NIL
MICHAEL BEBEK 1070 Nelson Street, Suite #109 Vancouver, BC V6E 1H8	187,500	187,500	NIL	NIL
MICHAEL BINGHAM 1275 West 6th Avenue, Suite 300 Vancouver, BC V6H 1B6	1,000	1,000	NIL	NIL
ALMA BOWES 7522 Elliott Street Vancouver, BC V5S 2N6	1,000	1,000	NIL	NIL

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GEORGE A. BOWES 7522 Elliott Street Vancouver, BC V5S 2N6	1,000	1,000	NIL	NIL
BRENT CARLBECK 680 Appian Way Coquitlam, BC V3J 2A9	1,000	1,000	NIL	NIL
SIU HING CHAN 31/F Flat C, Tower 1, Elegance Garden Tuen Mun, New Territories, Hong Kong	187,500	187,500	NIL	NIL

Table is continued from page 10				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
PETER CHEN 22 Yio Chu Kang Road Singapore	1,000	1,000	NIL	NIL
DILLON CHEW 309 9502 Erickson Drive Burnaby, BC V3J 7B5	1,000	1,000	NIL	NIL
SO CHIN CHOA 2 Pandan Valley #10-209 Acacia Court Singapore 597626	1,000	1,000	NIL	NIL
DAN CHONG 2781 East 55th Avenue Vancouver, BC V5S 1Z5	1,000	1,000	NIL	NIL
DWAYNE COBEN 11 MacKenzie Lake Landing SE Calgary, AB T2Z 1M4	1,000	1,000	NIL	NIL
TRACEY COCHRANE 1965 Turner Street Vancouver, BC V5L 1Z9	8,000	8,000	NIL	NIL
ROGER CONCALVES / SILVIA INVESTMENTS CORP. 785 Westcot Place West Vancouver, BC V7S 1P1	2,000	2,000	NIL	NIL
VANESSA DIRKS #210 692 West 7th Avenue Vancouver, BC V5Z 1B5	1,000	1,000	NIL	NIL
ROB DODSWORTH 1087 Churchill Crescent, #66 North Vancouver, BC V7P 1P9	1,000	1,000	NIL	NIL
ALFRED DONG 8345 Roseberry Avenue Burnaby, BC V5J 5A2	1,000	1,000	NIL	NIL
MICHELLE FLEMONS 3929 Sharon Place West Vancouver, BC V7V 4T6	1,000	1,000	NIL	NIL

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WADE FLEMONS 3929 Sharon Place West Vancouver, BC V7V 4T6	1,000	1,000	NIL	NIL
LESLIE ALLAN FRAME 837 East 13th Street North Vancouver, BC V7L 2M8	1,000	1,000	NIL	NIL
HITOMI GILLIAM 33253 - 1st Avenue Mission, BC V2V 1G6	187,500	187,500	NIL	NIL
GEOFFREY N. GOODALL 1315 Arborlynn Drive North Vancouver, BC V7J 2V6	1,000	1,000	NIL	NIL

Table is continued from page 11				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
IAN T. GREGORY 3634 Garibaldi Drive North Vancouver, BC V7H 2X5	1,000	1,000	NIL	NIL
STEVE GRICE 21368 87B Avenue Langley, BC V1M 1Z8	1,000	1,000	NIL	NIL
BRIAN GRIEG 2934 Marykirk Place North Vancouver, BC V7H 2N3	1,000	1,000	NIL	NIL
EMILY GRIEG 2934 Marykirk Place North Vancouver, BC V7H 2N3	3,000	3,000	NIL	NIL
LYNN HARRISON 233 East Woodstock Avenue Vancouver, BC V5W 1M9	1,000	1,000	NIL	NIL
TIMOTHY D. HIPHER 1436 Sandhurst Place West Vancouver, BC V7S 2P3	1,000	1,000	NIL	NIL
DAVID HO 1409 Forbes Avenue North Vancouver, BC V7M 2Y2	1,000	1,000	NIL	NIL
IRIS HO 1723 Alberni Street, Suite 1108 Vancouver, BC V6E 1H8	187,500	187,500	NIL	NIL
BARRY HUGGINS 4114 Crown Crescent Vancouver, BC V6R 2A9	1,000	1,000	NIL	NIL
KAM CHUN HUI Suite 211, 2/F Tak Shing House, Tak Tin Estate Lam Tin, Kowloon, Hong Kong	187,500	187,500	NIL	NIL
PAULINE Y.L. HUI 4101 Bryson Place Richmond, BC V6X 3S5	1,000	1,000	NIL	NIL
	1,000	1,000	NIL	NIL

MANJIT JANJUA 461 Orwell Street North Vancouver, BC V7J 3R8				
KHONGORZUL KHALIUN 40 - R Mjang 10-R Bair 12-R Toot Ulaanbataar, Mongolia	187,500	187,500	NIL	NIL
CHUILUN KHALUN Bayanzur-H Duureg 15-Horol, 38B Building, Ulaanbaatar, Mongolia	1,000	1,000	NIL	NIL
RONALD D. LANTHIER 4245 Madeley Road North Vancouver, BC V7N 4E1	1,000	1,000	NIL	NIL

Table is continued from page 12				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
JAMES GORDON LAVALLEY 11580 Granville Street Richmond, BC V6Y 1R6	375,000	375,000	NIL	NIL
JOHN D. LEAVITT 56 Grenview Boulevard North Etobicoke, ON M8X 2K4	1,000	1,000	NIL	NIL
MARK LEE 1/F, 37 Cambridge Road Kowloon Town, Kowloon, Hong Kong	187,500	187,500	NIL	NIL
FRANCINE LEGAULT 3639 Garibaldi Drive North Vancouver, BC V7H 2W2	1,000	1,000	NIL	NIL
JACKIE LOCKMULLER 1532 Sutherland Place North Vancouver, BC V7L 4B5	1,000	1,000	NIL	NIL
LEONARD LOCKMULLER 1532 Sutherland Avenue North Vancouver, BC V7L 4B5	187,500	187,500	NIL	NIL
LORRAINE LIU 8016 Elliott Street Vancouver, BC V5S 2P2	1,000	1,000	NIL	NIL
DERRICK H.V. LUU 2611 Viscount Way Richmond, BC V6V 2G8	1,000	1,000	NIL	NIL
CINDY MACDONALD 307 Sasamat Lane North Vancouver, BC V7G 2S4	1,000	1,000	NIL	NIL
STEVE MACDONALD 307 Sasamat Lane North Vancouver, BC V7G 2S4	187,500	187,500	NIL	NIL
IAIN F. MACPHAIL 815 Hornby Street, Suite 605 Vancouver, BC V6Z 2E6	1,000	1,000	NIL	NIL
GEORGE MAKIHARA 12500 McNeeley Drive, Suite #67	188,500	188,500	NIL	NIL

Richmond, BC V6V 2S4				
HISAKO MAKIHARA 12500 McNeeley Drive, Suite #67 Richmond, BC V6V 2S4	1,000	1,000	NIL	NIL

Table is continued from page 13				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
DAVID MILNER 631 East 24th Avenue Vancouver, BC V5V 2A3	1,000	1,000	NIL	NIL
EMILY NAKAI 4323 West 12th Avenue Vancouver, BC V6R 2P9	1,000	1,000	NIL	NIL
CHAIM AI NGOH 5 Jalan Kakatue Singapore 598566	187,500	187,500	NIL	NIL
STEVE NICOL 6020 Glenwynd Place West Vancouver, BC V7W 2W5	1,000	1,000	NIL	NIL
CHALIUN OJDOVOVA Bajanzurth Dureg 15H 4Rhor, 111R Bair 30 Toot Ulaanbaatar, Mongolia	1,000	1,000	NIL	NIL
ROLF D. OSTERWALDER 655 Burrard Street Vancouver, BC V6C 2R7	1,000	1,000	NIL	NIL
ANDREW (BOB) PALLAI 3070 Brookridge Drive North Vancouver, BC V7R 3A8	1,000	1,000	NIL	NIL
MIRIAM PALLAI 3070 Brookridge Drive North Vancouver, BC V7R 3A8	2,000	2,000	NIL	NIL
REX PEGG 410 Mahon Avenue, Unit #108 North Vancouver, BC V7M 2R5	1,000	1,000	NIL	NIL
EVA PELCZ #411 10082 132 Street Surrey, BC V3T 5V3	1,000	1,000	NIL	NIL
RICHARD PELCZ #301 1260 West 10th Avenue Vancouver, BC V6H 1J3	1,000	1,000	NIL	NIL
	1,000	1,000	NIL	NIL

RICHARD JANOS PELCZ 1365 Park Drive Vancouver, BC V6P 2K4				
LAWRENCE W. PERKINS 10584 153rd Street, Unit #108 Surrey, BC V3R 9V1	1,000	1,000	NIL	NIL
MICHAEL C. PERKINS 5719 172nd Street Surrey, BC V3S 3Z4	1,000	1,000	NIL	NIL
JIM PITCAIRN 4322 Staulo Crescent Vancouver, BC V6N 3S2	2,000	2,000	NIL	NIL

Table is continued from page 14				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
MICHAEL RAK 353 West 5th Avenue Vancouver, BC V5Y 1M2	1,000	1,000	NIL	NIL
TIMOTHY J. RAK 6140 Ross Street Vancouver, BC V5W 3L6	1,000	1,000	NIL	NIL
MARK REYNOLDS 203 4323 Gallant Avenue North Vancouver, BC V7G 2C1	2,000	2,000	NIL	NIL
CAMERON ROBB 344 Rosehill Wynd Delta, BC V4L 2L9	1,000	1,000	NIL	NIL
ANNA J.Y. SAGMAN 397 Maki Avenue Sudbury, ON P3E 2P3	1,000	1,000	NIL	NIL
JOHN SAGMAN 397 Maki Avenue Sudbury, ON P3E 2P3	1,000	1,000	NIL	NIL
LOUISE SALMON #320 5800 Andrews Road Richmond, BC V7E 6M2	1,000	1,000	NIL	NIL
MELANIE SELVIN 1365 Park Drive Vancouver, BC V6P 2K4	1,000	1,000	NIL	NIL
CHRIS STAARGAARD 510 West Hastings Street, Suite 912 Vancouver, BC V6B 1L8	1,000	1,000	NIL	NIL
DON SUTHERLAND 1510 West 1st Avenue, Suite 202 Vancouver, BC V6J 1E8	2,000	2,000	NIL	NIL
JOHN SVERRE 3680 West 7th Avenue Vancouver, BC V6R 1W4	187,500	187,500	NIL	NIL
ROGER SYLVESTRE 2248 York Avenue, Suite 302	1,000	1,000	NIL	NIL

Vancouver, BC V6K 1C6				
RUNJEET SYLVESTRE 2248 York Avenue, Suite 302 Vancouver, BC V6K 1C6	1,000	1,000	NIL	NIL
TAMARACK CAPITAL CORPORATION (Beneficial Owner - Paul Darc) 1040 West Georgia Street, Suite #920 Vancouver, BC V6E 4H1	1,000	1,000	NIL	NIL
DENNIS TAN 1344 Whitby Road West Vancouver, BC V7S 2N5	1,000	1,000	NIL	NIL

Table is continued from page 15				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
SEK TOH TAN 4 Kong Chin Road #02-01, Century Villa Singapore, 258707	1,000	1,000	NIL	NIL
MUN KWAN THAM 6520 Whiteoak Drive Richmond, BC V7E 4Z8	1,000	1,000	NIL	NIL
PHYLLIS THAM 3368 East 44th Avenue Vancouver, BC V5R 3B4	187,500	187,500	NIL	NIL
TONY THAM 56 West 10th Avenue Vancouver, BC V5Y 1R6	187,500	187,500	NIL	NIL
JOE TORRES 2593 Poplynn Drive North Vancouver, BC V7J 2Y1	1,000	1,000	NIL	NIL
LAURIE TRAINER 5482 183A Street Surrey, BC V3S 4N9	2,000	2,000	NIL	NIL
STACY TRAINER 5482 183A Street Surrey, BC V3S 4N9	2,000	2,000	NIL	NIL
CHAN TRUONG 322 Nootka Street New Westminster, BC V3L 4X4	1,000	1,000	NIL	NIL
SONIA TRUONG 322 Nootka Street New Westminster, BC V3L 4X4	1,000	1,000	NIL	NIL
SHUK KING TUNG 8345 Roseberry Avenue Burnaby, BC V5J 5A2	1,000	1,000	NIL	NIL
ANNE WALSH 6688 Marguerite Street Vancouver, BC V6P 4E9	1,000	1,000	NIL	NIL
	1,000	1,000	NIL	NIL

ROGER WALSH 6688 Marguerite Street Vancouver, BC V6P 4E9				
GRANT WEAVER 8325 Tugboat Place Vancouver, BC V6P 6R1	1,000	1,000	NIL	NIL
DOUGLAS WEE 1313 Noons Creek Drive Port Moody, BC V3H 4C1	375,000	375,000	NIL	NIL
ROBERT G. WILSON 1507 198 Aquarius Mews Vancouver, BC V6Z 2Y4	1,000	1,000	NIL	NIL

Table is continued from page 16				
Name Of Selling Stockholder	Shares Owned Prior To This Offering	Total Number Of Shares To Be Offered For Selling Shareholders Account	Total Shares To Be Owned Upon Completion Of This Offering	Percent Owned Upon Completion Of This Offering
JUDY WONE 56 East 10th Avenue Vancouver, BC V5Y 1R6	1,000	1,000	NIL	NIL
COLIN WONG 1450 Chestnut, Suite #1206 Vancouver, BC V6J 3K3	1,000	1,000	NIL	NIL
ERROLL WONG 3263 Dieppe Drive Vancouver, BC V5M 4B8	1,000	1,000	NIL	NIL
HSIEN LOONG WONG 1807 3970 Carrigan Court Burnaby, BC V3N 4S5	1,000	1,000	NIL	NIL
LILLIAN WONG 788 Eyremont Drive West Vancouver, BC V7S 2A6	1,000	1,000	NIL	NIL
RON WRATSCHKO 3026 5th Street SW Calgary, AB T2S 2C3	2,000	2,000	NIL	NIL
SAU-NGAN YOUNG 6324 Walker Avenue Burnaby, BC V5E 3B6	1,000	1,000	NIL	NIL
CAROL YUEN 3500 Cunningham Drive, Unit 19 Richmond, BC V6X 3T3	1,000	1,000	NIL	NIL
DAVE YUEN 19 - 3500 Cunningham Drive Richmond, BC V6X 3T3	187,500	187,500	NIL	NIL

The named party beneficially owns and has sole voting and investment power over all shares or rights to these shares, unless otherwise shown in the table. The numbers in this table assume that none of the selling shareholders sells shares of common stock not being offered in this prospectus or purchases additional shares of common stock, and assumes that all shares offered are sold.

Except as described below, none of the selling shareholders:

- (1) has had a materia