# FORM 10SB12G

Form for initial registration of a class of securities for small business issuers pursuant to Section 12(g)

Filing Date: **1996-08-26**
**SEC Accession No.** 0000891020-96-001019

(HTML Version on secdatabase.com)

## FILER

| | | |
|---|---|---|
| **IAS COMMUNICATIONS INC**<br>CIK:**945641**\| IRS No.: **911063549** \| State of Incorp.:**OR** \| Fiscal Year End: **1231**<br>Type: **10SB12G** \| Act: **34** \| File No.: **000-21255** \| Film No.: **96620446**<br>SIC: **3663** Radio & tv broadcasting & communications equipment | Mailing Address<br>*10751 SHELLBRIDGE WAY*<br>*SUITE 185*<br>*RICHMOND BC A1* | Business Address<br>*10751 SHELLBRIDGE WAY*<br>*SUITE 185*<br>*RICHMOND B C CANADA A1*<br>*6042785996* |

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

------------------------------

FORM 10-SB

GENERAL FORM FOR REGISTRATION OF
SECURITIES OF SMALL BUSINESS ISSUERS
UNDER SECTION 12(b) OR 12(g)

IAS COMMUNICATIONS, INC.
(Name of small business issuer as specified in its charter)

| | |
|---|---|
| OREGON | 91-1063549 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification Number) |

185 - 10751 SHELLBRIDGE WAY
RICHMOND, BRITISH COLUMBIA V6X2W8, CANADA
(Address, including postal code, of registrant's principal executive offices)

(604) 278-5996
(Telephone number including area code)

Securities to be registered under Section 12(b) of the Exchange Act: NONE

Securities to be registered under Section 12(g) of the Exchange Act: CLASS A COMMON STOCK



IAS COMMUNICATIONS, INC.

FORM 10-SB

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>





PART I
ALTERNATIVE 3

ITEM 1. DESCRIPTION OF BUSINESS

(a) BUSINESS DEVELOPMENT

The Company is a development stage corporation formed under the laws of the State of Oregon in December 1994 and has not generated any revenues from the operation of its proposed business. The proposed business of the Company is to develop the toroidal helical antenna ("THA") and license the rights to manufacture the THA to third parties in North America.

(b) BUSINESS OF THE COMPANY

THE PRODUCT

The THA is a low profile, resonant antenna. It has a toroidal (donut shaped) geometry about which has been wrapped helical windings (coils). Compared to traditional dipole and monopole antennas, the THA is much shorter in height (about 1/60th of the other antennas), yet its toroidal magnetic field is equivalent to the linear electric fields produced by other antennas. The windings occur in pairs which are wrapped with opposite pitch to each other (i.e. left handed windings versus right handed windings) and are referred to as contra-windings. The small size of the THA results from both the effect of taking long wires and wrapping them onto a small geometry and the winding interactions which serve to slow the propagation of the electrical current within the antenna (thus behaving as a larger, lower frequency antenna).

The whole unit is ground plane independent. Traditional antennas are dependent on the conductive plane found at the surface of the earth to achieve geographic coverage. For that reason the higher above the surrounding terrain that an antenna is installed, the greater its range of coverage. The THA appears from anecdotal data and observed practical experiments to achieve its range of coverage without reference to or being dependent on the conductive ground plane. The result of "ground plane independence" is that the THA does not need to be mounted on a tall tower or at the top of a mountain. The THA' s coverage apparently can be achieved with a ground level installation. The elimination of such towers is a major cost advantage and reduces interference in the visual environment as well as in the physical environment. Signals are fed to the antenna through up to four networks which attach to the structure at evenly-spaced locations. Resulting electromagnetic fields act as if they are solely produced by a ring of pure magnetic currents; in other words, the contributions due to electric currents are canceled. This planar ring of magnetic current is electromagnetically equivalent to a linear electric current. The THA has not been manufactured for commercial use at this time. Two prototypes have been created and are currently being tested by the Department of Defense. The two prototypes were developed by a West Virginia University research team under the direction of Dr. James E. Smith, Chairman of the board of the Company. While the Company's license for the THA does not include military application, the Company believes that the results from the testing by the Department of Defense will verify the practical application of the THA for non-military uses.

Compared to traditional dipole and monopole antennas, the THA is much shorter in height (about 1/60th of the other antennas), yet its toroidal magnetic field is equivalent to the linear electric field produced by other taller antennas. This makes THAs particularly excellent candidates for low





frequency broadcast transmission that otherwise require prohibitively tall monopole structures above the earth ground plane. For higher frequency applications, for example, the Company believes that the THA could replace a car antenna with a structure that could be made part of the rear view mirror or similarly sized object. There is no assurance, however, that such replacement would in fact be practical or achievable.

The Company believes that the THA also outperforms monopole antennas by over 300% in distances achieved. The basis for this statement is the United States Department of Defense as reported by Mr. Jack Parsons of Wintec, Inc. Wintec, Inc. ("Wintec") is paid $2,000.00 per month to advise the Company on the progress of the tests by the Department of Defense. Wintec's agreement with the Company is oral and there are no written documents to reflect the terms. In addition, the THA is half the diameter of the ground plane structure necessary for quarterwave monopole antennas. According to Wintec, the United States Department of Defense tested the THA over a period of several weeks at distances of over 37 miles, which is much farther than the typical 10 mile distances for monopole antennas.

Due to the THA's ground plane independence, it, unlike other antennas, is not affected by placement. Resonant operations of the THA provides improved efficiency. In addition, THA's are lighter, cost substantially less than other antennas, are more aesthetic, and, for commercial broadcast antennas, are less hazardous to aircraft because of the elimination of a tower. The manufacture of one of the prototypes confirmed the lower cost. The primary reason for the lower cost is the elimination of the tower to raise the THA above the ground.

Potential uses of THAs include the military, ranging from infantry and artillery to intelligence and signal units, and civilian uses. The Company, however, has no right to the military application of the THAs. The civilian uses include AM, FM and TV broadcasting and reception, as well as cellular phone and other two-way communication. Also, the THAs could be used by law enforcement agencies such as the FBI, ATF, immigration and naturalization units, and intelligence units. The THA has not been used for any of the civilian uses described above and accordingly there are no assurances that the THA could ever operate as anticipated.

Possible future alterations may improve the THA even more. There are no assurances that the future alterations discussed herein will be able to be made or that such alterations will result in even greater cost reductions of the THA. Future diameter reductions (a reduction as much as two orders of magnitude, achieved by increasing the number of turns or by the use of ferrite cores) will allow for upgrades and broad band applications. A longer distance of communication is also possible. All of these improvements, in addition, will contribute to even greater cost reduction of the THA.

In June 1996, the Company completed successful testing of the Contrawound Toroidal Helical Antenna ("CTHA"), a variation of the THA. Several prototype CTHAs were built including a wireless local area network, cellular telephone and wireless telephone. These antennas were constructed to confirm that the design and measurement techniques used by the Company were functional across a broad spectrum of frequencies. Several successfully built laboratory models of CTHA's operated at selected frequencies from 2 megahertz to 950 megahertz.

Based on data gathered from several days of near and far field testing, the following data was confirmed:





- The empirical data taken during the project closely approximates the radiation pattern projected by West Virginia University's ("WVU") computer numerical analysis. The WVU analysis projected that the CTHA would exhibit an isotropic-like radiation pattern. Radiation intensity is nearly equal in all directions. Further testing will should confirm the CTHA to be the first antenna on the market to offer this very unique characteristic.

- The data received from several days of near and far field testing revealed that the gain and radiation pattern of CTHA's operating at different frequencies were nearly identical. Further tests were repeated at far field distances to confirm that the physical properties and electromagnetic performance of the CTHA are scalable across a very broad frequency spectrum.

From the experiments conducted through June 1996, several advantages of the CTHA over monopole antennas have been noted including :

- the CTHA is 1/60 the height of a monopole antenna
- the CTHA operates more efficiently with a single phase feed

- the CTHA weighs 80% less in most applications
- the CTHA can be flush mounted for low profile packaging
- the CTHA radiates in all directions, making it the first antenna to accomplish this important feature

The CTHA is a unique antenna with properties and characteristics unlike any other antenna that Wintec has previously studied. One of the more beneficial characteristics observed repeatedly during these formal tests was that the CTHA is an impedance invariant antenna. That is to say that its impedance is not affected by its environment and does not change when the antenna is folded conformally around non-conducting materials. Additional testing will be conducted to determine the effect of conducting materials on the antenna.

A proof of concept antenna order has been received from the Commercial and Government Systems division of the Eastman Kodak Company which will conduct independent evaluations to see if the CTHA will meet its requirements for use on a developmental Digital Image Capture system for a potential government program.

The initial over the ocean evaluation of the CTHA was completed in June 1996 and was a resounding success. The tests directly compared the performance between a quarter wave monopole antenna (8 foot tall) and the CTHA (1 inch tall) out to the communications failure distance for the monopole antenna. Radios were controlled by a computer which initiated a call one time per minute for the duration of the test run. The signal to noise ratio was recorded from each antenna at each call and was automatically ranked for that call segment. The CTHA continued to operate with a perfect score for both receiving and transmiting throughout the test. This outstanding performance is due to the unique isotropic like radiation pattern of the CTHA.

The evaluation took place with a high frequency single sideband antenna for commercial maritime use during the ocean trials. This was very successful in that the CTHA communicated over 700 miles on its first attempt. This antenna may be used on commercial vessels for long distance communications.





The test of these antennas has verified all previous claims of the CTHA's capabilities as a formidable antenna in the market.

The Company entered into a fixed-price contract with Emergent Technologies Corporation of Morgantown, West Virginia ("Emergent") to fund the prototype development and testing of specific applications of the THA in the amount of $111,271.00. A total of $60,000.00 had been paid by the Company through April 30, 1996. Based upon a final report issued in June 1996, the Company entered in to a phase two fixed price contract with Emergent for the development of cellular and personal communications CTHAs for commercial use by the end of calendar 1996.

Additional research and development of both a scientific and practical nature is required to complete the commercialization of the THA.

ADVANTAGES/DISADVANTAGES

The principle advantages of this antenna are: (1) low physical profile; (2) resonant operation providing improved efficiency; and, (3) low susceptibility to electrostatic disturbances. The THA is well suited to long distance communication applications which require vertical polarization for improved efficiency. The low physical profile is conducive to flush mounted applications for reducing aerodynamic drag on vehicles. For low frequency fixed applications, the significantly shorter structures can be made lighter, more economical, and more aesthetic, and less hazardous to aircraft, than the tall antenna structures that are presently used. The THA can be constructed on rectangular or polygonal frames which can be folded and stored for portable applications. A specific configuration of the THA, the QuadContra antenna, has been developed in an attempt to maximize performance. The Quad Contra Antenna ("QCA") is based entirely upon the technology of the THA. It involves winding the THA with necessary lengths of insulated wire to create multiple antennas. No QCAs have been manufactured and there is no assurance any QCAs will ever be developed or manufactured. The Company is unaware at this time of any disadvantages of the THA. The THA is still in the testing and development stage and accordingly there is no assurance that the technology will operate as anticipated.

APPLICATIONS

There are many applications which can exploit the advantages of the THA. The small size and especially low profile make it well suited to both commercial and military applications that would benefit from an inconspicuous antenna package. These would include land, air and sea vehicles. The low profile and magnetic principle of operation enable the antenna to be concealed in the fuselage of the body of an airplane, car, truck, train or boat so as to reduce drag. The THA can also be applied in commercial applications, including AM, FM and TV broadcasting and reception, and cellular phone communications. The company's license does not include military applications.

## DISTRIBUTION

### PRODUCTION

The Company intends to contract with independent third parties to manufacture the THA. The Company has not entered in to any negotiations with any manufacturer as of the date hereof, but believes that there are a number of manufacturers who are capable of manufacturing the THA. The Company has contacted several such manufacturers. Two such manufacturers have advised the Company that they are interested in manufacturing the THA. There is no assurance that the





Company will enter into an agreement with anyone to manufacture the THA. Accordingly, in the event that the Company does not enter into an agreement to manufacture the THA or in the event the Company locates a manufacturer that subsequently ceases operations for any reason, serious financial consequences to the Company could result.

### SALES AND MARKETING

The Company intends to market the THA' s and licensing agreements through independent sales representatives. As of the date hereof, the Company has not retained any independent sales representatives.

## COMPETITION

The market for antennas is highly competitive. There are numerous manufacturers of antennas in the United States with substantially greater financial, technical, marketing and other resources than the Company. To the Company's knowledge, no competitors are currently manufacturing any product which is substantial similar to the THA and patent research does not reveal any competing technology. The Company has not determined if it will compete with satellite dishes.

## LICENSING

The Company also intends to license the technology to manufacture the THAs to third parties. The licenses will be limited to specific geographical areas on an exclusive or nonexclusive basis, depending upon the terms of the license. The Company has not entered into any negotiations with anyone to license the THA technology as of the date thereof.

On February 14, 1995, the Company entered into an agreement with West Virginia University Center for Industrial Research Applications ("WVUCIR") to test and demonstrate the size and efficiency advantages that the THA possesses over traditional monopole antennas by completing computer simulation and design, fabrication and testing of commercially viable prototypes. By the terms of the agreement, the Company will pay a total of $231,372.67 to WVUCIR. A total of $155,590 has been expended through April 30, 1996. The Company believes that the testing by WVUCIR will complete the research and development of the THA. WVUCIR does not obtain any rights to the THA technology by virtue of its testing. The Company entered into this agreement with WVUCIR before ICI granted the July 10, 1995 sublicense referred to below in contemplation of and in the belief that the sublicense would be granted to the Company in the near future.

On July 10, 1995 the Company and Integral Concepts Inc. ("ICI") entered into an exclusive sublicense agreement that gives the Company the same terms and conditions of the license agreement between West Virginia University Research Center ("WVURC") and ICI as follows:

1. The Company will pay a minimum annual royalty starting December 31, 1995 of $3,000.00.

2. The Company will pay WVURC 10% of net revenue on earned royalties, leases or sublicenses.

3. The Company will pay ICI a 3% royalty on all gross sales.

## PATENTS

West Virginia University Research Corporation has received a patent for the THA. The Company is not affiliated with West Virginia University ("WVU"). Dr. Smith is a tenured professor at WVU and conducts his research and development regarding the THA at WVU's facilities. As a result thereof, the WVURC owns the patent rights to the THA which it licensed to ICI. The license between the WVURC and ICI provides that ICI can grant sublicenses to third parties to the technology covered by the patent. On July 10, 1995, ICI issued such a sublicense to the Company.

## EMPLOYEES

In addition to its Officers, the Company currently employs three part-time employees. The Company anticipates adding employees as needed in the future. In the event the Company is unable to engage and retain the necessary personnel in the future, its business would be materially and adversely affected.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

RESULTS OF OPERATIONS - INCEPTION (DECEMBER 13, 1994) THROUGH APRIL 30, 1996.

The Company is a development stage start-up company with no operating history and no revenues or earnings from operations. There is no assurance that the Company will ever have material revenues or that its operations will be profitable.

The Company has no commitments for lines or letters of credit.

The financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated any revenues or profitable operations since inception. The Company's activities are in the development stage and additional costs for the further improvement of the technology must be incurred. The continuation of the Company as a going concern is dependent on its ability to obtain financing and/or the attainment of revenues and profitable operations. Management plans to raise capital with private placements, public offerings and the exercise of stock options.

From December 1994 to March 1995, the Company sold 1,300,000 shares of its Class B Nonvoting Common Stock to residents of the United States of America and Canada. In the United States, the Class B Nonvoting Shares of Common Stock were sold to residents of Arizona, California, Florida, Georgia, Idaho, Illinois, Michigan, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Texas, Washington and Wisconsin. None of the shares were registered with any state or federal securities agencies. As a result, the Company believes that the sales in Arizona, California, Florida, Georgia, Illinois, Michigan, Nevada, New York, Pennsylvania, Texas and Washington violated the respective state securities laws, which could result in the Company returning up to $197,749.75 plus interest to the purchasers in those states. In addition, Class B Nonvoting Shares were sold in the Canadian Provinces of Manitoba, Alberta and Saskatchewan without registration, which could result in the Company returning an additional $10,125.00. The foregoing could have an adverse effect upon the Company's operations. Currently, the Company does not have adequate funds to pay all of the claims as a result of the





aforementioned violative sales. In the event all of the purchasers make claims, the Company will have to raise additional funds through the sale of equity or debt securities. There is no assurance, however, that the Company can obtain sufficient funds to pay all of the claims and accordingly, it is conceivable that the Company may have to cease operations.

During the year holders of 1,300,000 Class "B" non-voting shares agreed to exchange these shares for 1,300,000 Class "A" voting shares. Of the 1,300,000 Class "A" shares issued and outstanding, 263,667 are redeemable Class "A" shares.

Between December 14, 1994 and March 6, 1995 the Company received subscriptions for 263,667 Class "B" shares and received $197,750 from investors in states where they have the right to revoke their subscription and demand their investment be returned to them within three years of subscription as to $161,500 and within six years as to $36,250. The 263,667 redeemable Class "B" shares were issued and then exchanged for 263,667 Class "A" shares, and are outstanding. To date, holders of these shares have not revoked their subscriptions.

Initial operations will include locating a proposed manufacture and begin the promotion of the THA. Further, the Company intends to license the technology to manufacture the THAs to third parties. The Company has not entered into any negotiations to manufacture or license the THA technology. While the license to military applications of the THA has not been granted to the Company, the Company believes that such exclusion will not have any adverse effect on the Company.

LIQUIDITY AND CAPITAL RESOURCES

The Company issued 6,000,000 shares of its Class A Voting Common Stock for a total of $1.00 as partial consideration to acquire an option to acquire an exclusive license to manufacture and/or license the rights to manufacture the toroidal helical antenna. The option was acquired from a director and a company controlled by a director by issuing 3,000,000 shares to each of the related parties. The Company issued 100 shares of its Class A Voting Common Stock for $10.00 in cash, which were donated back to the Company and canceled on July 12, 1995 and 1,300,000 shares of its Class B Non-Voting Common Stock for $520,000 in cash. The cash and property have been used for organizational matters and preparation of the prospectus for an exchange offer.

Pursuant to an agreement dated January 31, 1995, the Company agreed to issue 75,000 shares of Class A Common Stock as compensation to a supplier of services to be paid upon the effective date of a registration statement for the exchange offer. Pursuant to an amended agreement on April 11, 1996, the parties amended the above agreement as follows:

1. $10,000.00 paid on April 11, 1996 and $62,500.00 paid on April 22, 1996.

2. 25,000 Class A shares to be issued on April 22, 1996 and an option to acquire 50,000 Class A shares @ $1.25. This option was exercised on April 25, 1996.

Pursuant to a private placement memorandum dated March 1, 1996 to issue up to 400,000 Class A shares at $1.25 per share, investors have subscribed for 283,000 shares for $353,750.00 and a total of $62,500.00 was received pursuant to the exercise of stock options through April 30, 1996.

The Company issued 210,000 shares @ $0.25 per shares pursuant to options exercised in April of 1996 to raise $52,500.00.





ITEM 3. PROPERTY

The Company's headquarters and executive offices are located at #185-10751 Shellbridge Way, Richmond, British Columbia V6X2W8 and the telephone number is (604)278-5996. The Company leases, on a month-to-month basis, approximately 200 square feet of space at the aforementioned office from John Robertson, President of the Company. The monthly rent fee is $500.00.

ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

PRINCIPAL SHAREHOLDERS

The following table sets forth, as of July 3, 1996, the outstanding Class A Common Stock of the Company owned of record or beneficially by each person who owned of record, or was know by the Company to own beneficially, more than 5% of the Company's Common Stock, and the name and shareholdings of each Officer and Director and all Officers and Directors as a group.

All of the Shares of Common Stock presently issued and outstanding are "Restricted Securities" as that term is defined under the Securities Act of 1933, as amended, and, as such, may not be sold in the absence of registration under the Securities Act of 1933, as amended, or the availability of an exception therefrom.

<TABLE>
<CAPTION>

| NAME | CLASS A SHARES OWNED | PERCENTAGE OF CLASS A SHARES OWNED |
| --- | --- | --- |

| | | |
|---|---|---|
| James Earl Smith[1] Chairman of the Board of Directors | 3,150,000 | 38% |
| John G. Robertson[1][2] President and member of the Board of Directors | 3,600,834 | 44% |
| Jennifer Lorette[1] Secretary/Treasurer, Chief Financial Officer and Principal Accounting Officer | 63,000 | .8% |
| Patrick Badgley[1] | 46,000 | .6% |
| Paul E. Lamarche[1] | 50,000 | .6% |
| ALL OFFICERS & DIRECTORS AS A GROUP (FIVE INDIVIDUALS) | 6,909,834 | 88.38% |

All shares are held beneficially and of record and each record shareholder has sole voting and investment power.

[1] These individuals are the Officers and Directors of the Company and may be deemed to be "parents or founders" of the Company as that term is defined in the Rules and Regulations





promulgated under the Securities Act of 1933, as amended. Includes options to purchase shares of Class A Voting Common Stock at an exercise price of $0.25 per share.

[2] 3,000,000 shares are registered in the name of Access Information Services, Inc., a corporation controlled by Mr. Robertson.

ITEM 5. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS OF THE COMPANY

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the name, age and position of each Officer and Director of the Company:

| NAME | AGE | POSITION |
|---|---|---|
| James Earl Smith, Ph.D. | 46 | Chairman of the Board of Directors |
| John G. Robertson | 55 | President, Principal Executive Officer and a member of the Board of Directors |
| Jennifer Lorette | 23 | Secretary/Treasurer, Principal Accounting Officer and Chief Financial Officer |
| Patrick Badgley | 53 | Member of the Board of Directors |
| Paul E. Lamarche | 54 | Member of the Board of Directors |

All Directors of the Company have served since December 13, 1994, The Officers were elected on February 4, 1995, and will serve for one year or until their respective successors are elected and qualified. No compensation has been paid or accrued to any Officer or Director to date. All officers currently devote part-time to the operation of the Company.

JAMES EARL SMITH PH.D. - CHAIRMAN OF THE BOARD OF DIRECTORS

Dr. Smith is a founder and Chairman of the Board of Directors. Since 1989, Dr. Smith has been an Associate Professor in the Mechanical and Aerospace Engineering Department, West Virginia University, Morgantown, West Virginia. Since September 1990, Dr. Smith has been a Director of the Center for Industrial

Research Applications, West Virginia University. Since February 1994, Dr. Smith has been President and a Director of Integral Visions Systems, Inc. a West Virginia corporation engaged in the business of 3-D machine vision calorimetry. Since September 1992, Dr. Smith has been President and a Director of Integral Concepts, Inc., a West Virginia corporation engaged in the business of technology transfer from the research to the commercial sector. From April 1992 to March 1994, Dr. Smith was a consultant to CK Engineering, Inc., located in Montreal, Canada, which is engaged in the business of mechanism analysis and development. From January 1992 to March 1993, Dr. Smith was a consultant to Reg Technologies, Inc. located in Richmond, British Columbia which is engaged in the business of mechanism analysis and development. Dr. Smith holds the degree of Doctor of Philosophy in Mechanical Engineering from West Virginia University.





JOHN G. ROBERTSON - PRESIDENT, PRINCIPAL EXECUTIVE OFFICER AND A MEMBER OF THE BOARD OF DIRECTORS

Mr. Robertson is a founder, President, Principal Executive Officer and a member of the Board of Directors of the Company. Since May 1977, Mr. Robertson has been President and a member of the Board of Directors of SMR Investments Ltd., a British Columbia corporation engaged in the business of management and investment consulting. Since October 1984, Mr. Robertson has been President and a Director of Reg Technologies, Inc., a British Columbia corporation engaged in the business of developing a rotary engine. Since June 1994, Mr. Robertson has been President of REGI U.S., Inc. ("REGI U.S."), an Oregon corporation which is engaged the business of developing a rotary engine. REGI U.S. is controlled by Rand Energy Group, Inc., a British Columbia corporation of which Reg Technologies, Inc. is the majority shareholder. Both REGI U.S. and Reg Technologies, Inc. are engaged in the business of developing a rotary engine and other devices utilizing Rand Cam(TM) Technology. REGI U.S. owns the U.S. rights to the Rand Cam(TM) technology and Rand Energy Group, Inc. owns the worldwide rights exclusive of the U.S. Since May 1980, Mr. Robertson has been President and a Director of Teryl Resources Corp., a British Columbia corporation, engaged in exploring and developing gold properties. Since February 1979, Mr. Robertson has been President and Director of Flame Petro-Minerals Exploration Co., a British Columbia corporation engaged in exploration of oil, gas and gold properties.

JENNIFER LORETTE - SECRETARY/TREASURER, PRINCIPAL FINANCIAL OFFICER AND PRINCIPAL ACCOUNTING OFFICER

Ms. Lorette is a founder, Secretary/Treasurer, Principal Financial Officer and Principal Accounting Officer of the Company. Since April 1994, Ms. Lorette has been Vice President of Administration of Reg Technologies Inc. Since June 1994, Ms. Lorette has been a Vice President of REGI U.S. and Chief Financial Officer and Vice President of Flame Petro Minerals Corp. From February 1994 to April 1994, Ms. Lorette was an executive assistant and from December 1992 to February 1994, she was a receptionist at Reg Technologies, Inc. From October 1990 to July 1992, Ms. Lorette was a receptionist for Nickels Custom Cabinets, Richmond, British Columbia.

PATRICK BADGLEY - A MEMBER OF THE BOARD OF DIRECTORS

Mr. Badgley is a founder and a member of the Board of Directors of the Company. Since February 1994, Mr. Badgley has been a Vice President of REGI U.S., and since July 1993 has been a Director of Reg Technologies, Inc. From November 1986 to February 1994, Mr. Badgley was the Director of Research and Development for Adiabatics, Inc., an Indiana corporation, which was engaged in the business of advanced engine concepts. Prior to this he worked for Cummins Engine Company, Curtiss Wright Corporation and Deere and Company. Mr. Badgley holds a Bachelor of Mechanical Engineering degree from The Ohio State University, Columbus, Ohio.

PAUL E. LAMARCHE - A MEMBER OF THE BOARD OF DIRECTORS

Mr. Lamarche is a founder and member of the Board of Directors. Since October 1991, Mr. Lamarche has been President of Troy Design Manufacturing, driveline division, which is engaged in the business of automotive power train engines. Since 1990, Mr. Lamarche has been a Director of Pioneer Automotive, driveline division, and President to Neotech Industries, Inc., which is engaged in the business of engineering services (automotive). Since 1994, Mr. Lamarche has been a director for the driveline dynamics group for Aerotek Engine Services, a Michigan corporation.





Mr. Lamarche holds a Bachelor of Science degree from the University of Waterloo, Ontario, Canada.

ITEM 6. EXECUTIVE COMPENSATION

COMPENSATION OF DIRECTORS AND OFFICERS

A management fee of $2,500.00 per month is paid to Access Information Services, Inc., a corporation controlled by John Robertson, the Company's President and a member of the Board of Directors. Further, the sum of $1,500.00 is paid to Access Information Services, Inc. for rent and secretarial services.

Dr. Smith receives a fee of $2,500.00 per month in his capacity as a director and as Chairman of the Board of Directors.

The Company may in the future create retirement, pension, profit sharing, insurance and medical reimbursement plans covering its Officers and Directors. At the present time, no such plans exist. No advances have been made or are contemplated by the Company to any of its Officers or Directors.

STOCK OPTIONS GRANTED

The Company issued options on December 29, 1994 to the Company's Officers and Directors, exercisable at twenty-five cents ($0.25) per share, to acquire "restricted" shares of the Class A Voting Common Stock as follows:

| | |
|---|---|
| James Smith, Ph.D. | 150,000 |
| John Robertson | 150,000 |
| Jennifer Lorette | 50,000 |
| Patrick R. Badgley | 50,000 |
| Paul Lamarche | 50,000 |

The options have an expiration of December 29, 1999 and do not expire upon termination of employment.

The following table sets forth certain information concerning exercises of stock options pursuant to stock option plans by the named executive officers during the year ended April 30, 1996 and stock options held at year end.





AGGREGATE OPTION EXERCISES IN LAST FISCAL YEAR
AND YEAR END OPTION VALUES

<TABLE>
<CAPTION>

| | | | Number of Unexercised Options at Year End | | Value of Unexercised Options at Year End | |
|---|---|---|---|---|---|---|
| Name | Shares Acquired on Exercise | Value Realized | Exercisable | Unexercisable | Exercisable | Unexercisable |
| <S> | <C> | <C> | <C> | <C> | <C> | <C> |
| John G. Robertson | 150,000 | $225,000 | -0- | -0- | -0- | -0- |
| Jennifer Lorette | 50,000 | $75,000 | -0- | -0- | -0- | -0- |
| Patrick Badgley | 10,000 | $15,000 | 40,000 | -0- | $60,000 | -0- |

</TABLE>

(1) On April 30, 1996, the closing price of Common Stock was $1.75. For purposes of the foregoing table, stock options with an exercise price less than that amount are considered to be "in-the-money" and are considered to have a value equal to the difference between this amount and the exercise price of the stock option multiplied by the number of shares covered by the stock option.

ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Dr. Smith, a tenured professor at West Virginia University ("WVU") and the Company's Chairman of the Board of Directors, organized the development of the concept of the THA at WVU. Pursuant to the terms of this employment at WVU, WVU and West Virginia University Research Corporation ("WVURC") own world wide rights to any invention made or developed by WVU personnel. Accordingly the ownership rights to the THA belong to WVU and WVURC.

On April 12, 1994, WVURC granted an exclusive license to Integral Concepts, Inc. ("ICI") which is owned by Dr. Smith: (1) to manufacture THAs and to license others to do so; and (2) to sublicense others to manufacture, market, sell copies of, license and distribute THAs. The consideration for the license was: (1) $1.00 and (2) a royalty of $3,000.00 per year or 10% of the net revenues received by ICI which ever is greater.

ICI entered into an option agreement with SMR Investments Ltd. ("SMR"), a corporation owned by Sue Robertson, the wife of John Robertson, dated November 18, 1994 and amended December 16, 1994. The option agreement provided that ICI would issue a sublicense to SMR for the THA subject to the payment of $250,000; a 3% royalty from gross sales; and a subsequent public entity to be established. The Company was organized by SMR and John Robertson as a result thereof. ICI retained all military applications and resulting procurement interests. The contract period relating to the three percent royalty to be paid to ICI commences when sales are made by SMR/the Company and continue during the life of the agreement between ICI and SMR. The term of the foregoing agreement is perpetual as is the agreement between WVURC and ICI.





On December 13, 1994, SMR assigned the rights to the foregoing agreement with ICI to the Company in consideration of $50,000 advanced by Access Information Services, Inc. (the "Option Assignment"). Access Information Services, Inc. is a corporation owned and controlled by Robinson.

On December 14, 1994, the Company issued 3,000,000 Class A Shares to James E. Smith, Ph.D., the Company's Chairman of the Board of Directors and 3,000,000 Class A Shares to Access Information Services, Inc., pursuant to the Option Assignment. The value assigned to the 3,000,000 Class A common shares issued to Dr. Smith was a total of $0.50 and the value assigned to the 3,000,000 Class A common shares issued to Access Information Services Inc. was $0.50. The valuation of the 3,000,000 shares issued to Dr. Smith and Access Information Services, Inc. was arbitrarily determined by the Company's Board of Directors. The $250,000 has been paid to ICI and was a one time payment.

On July 10, 1995, ICI entered into a sublicense with the Company, wherein ICI granted to the Company the exclusive worldwide right to manufacture, sell copies of, sublicense to and distribute the process and equipment related to the design, construction and operation of the THA and to further sublicense to others the rights to manufacture, sell copies of, license and distribute the same, excluding all military applications and procurement interests. The July 10, 1995 sublicense agreement was the culmination of the agreement between ICI and SMR, and SMR and the Company. On December 27, 1995, SMR assigned all of its rights and duties in the THA technology to the Company. The purpose of this assignment was to assign any and all rights or duties which may have been held by SMR as a result of the Option Agreement, it being understood that the Option Agreement was nothing more than an agreement in principle. The term of the license granted by ICI is perpetual and requires the payment of a minimum annual royalty of $3,000. Further, the Company will pay a royalty of 10% of the net revenues derived from sales, licenses or sublicenses of the THA technology with a credit for the minimum royalty. In addition the Company shall pay a royalty of 3% of the gross revenues derived from the sales, licenses or sublicenses of the THA technology.

To date, there have not been any other transactions between the Company and its Officers, Directors, principal shareholders or affiliates other than as set forth above. The Company believes that the transactions described here were on terms more favorable to the Company's officers and directors than otherwise could be obtained if such transactions were with non-related parties.

## ITEM 8. DESCRIPTION OF SECURITIES

The Company is presently authorized to issue 100,000,000 shares of its no par value Class A Voting Common Stock. Presently 6,000,000 shares are issued and outstanding. The holders of the Class A Shares are entitled to one vote per share on each matter submitted to a vote at any meeting of shareholders. Shares of Common Stock do not carry cumulative voting rights and, therefore, a majority of the outstanding shares of Common Stock will be able to elect the entire Board of Directors and, if they do so, minority shareholders would not be able to elect any members to the Board of Directors.

Shareholders of the Company have no preemptive rights to acquire additional shares of Common Stock or other securities. The Common Stock is not subject to redemption and carries no subscription or conversion rights. In the event of liquidation of the Company, the shares of Common Stock are entitled to share equally in corporate assets after satisfaction of all liabilities.





The shares of Common Stock, when issued, will be fully paid and non-assessable. There are no outstanding options, warrants or rights to purchase shares of the Company's Common Stock, other than disclosed in this Registration Statement.





## PART II

### ITEM 1. MARKET PRICE OF AND DIVIDENDS ON THE COMPANY'S COMMON EQUITY AND OTHER STOCKHOLDER MATTERS

There is a limited public market for the Common Stock of the Company which currently trades on the NASD OTC Bulletin Board under the symbol "IASCA" where it has been traded since April 16, 1996. The Company's Common Stock has traded at between $1.75 and $2.00 per share since April 16, 1996.

As of July 3, 1996, there were 7,803,000 shares of Common Stock outstanding, held by 81 shareholders of record and by various broker/dealers on behalf of 246 street name shareholders.

To date the Company has not paid any dividends on its Common Stock and does not expect to declare or pay any dividends on such Common Stock in the foreseeable future. Payment of any dividends will be dependent upon future earnings, if any, the financial condition of the Company, and other factors as deemed relevant by the Company's Board of Directors.

### ITEM 2. LEGAL PROCEEDINGS

The Officers and Directors of the Company certify that to the best of their knowledge, neither the Company nor any of its Officers and Directors are parties to any legal proceeding or litigation other than as described below. Further, the Officers and Directors know of no threatened or contemplated legal proceedings or litigation other than as described below. None of the Officers and Directors have been convicted of a felony or none have been convicted of any criminal offense, felony and misdemeanor relating to securities or performance in corporate office. To the best knowledge of the Officers and Directors, no investigations of felonies, misfeasance in office or securities investigations are either pending or threatened at the present time, other than as described below:

John Robertson, the Company's President, Chief Executive Officer and a member of the Board of Directors is a defendant in a lawsuit captioned Keltic Bryce Enterprises Inc. v. Teryl Resources Corp., David Ian Hodge, D. Stafford Johnston, Lydia Lowe, Gary Medford, John G. Robertson and Susanne M. Robertson, Case No. C930366 pending in the Supreme Court of British Columbia wherein it is alleged that on December 3, 1991, Teryl Resources Corp. ("Teryl") issued a convertible debenture to Keltic Bryce Enterprises Inc. ("Keltic") in consideration of $150,000. The debenture was convertible into common stock and warrants at the election of Keltic. Keltic elected to convert the debenture, but Teryl did not or could not convert the same pursuant to its agreement. It is alleged that John Robertson was a director of Teryl at all times mentioned and accordingly is liable for damages and punitive damages as a result thereof, all in accordance with the laws of British Columbia. Keltic is seeking undisclosed actual and punitive monetary damages to be determined by a jury. John Robertson denies the allegations. The case is currently pending in the aforementioned court.

### ITEM 3. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None





### ITEM 4. RECENT SALES OF UNREGISTERED SECURITIES

Set forth below is information regarding the issuance and sales of securities of the Company without registration since formation of the Company. No such sales involved the use of an underwriter and no commissions were paid in connection with the sale of any securities.

(a) On December 14, 1994 the Company sold a total of 6,000,100 shares of Class A Common Stock to two founders and directors of the Company in exchange for cash and certain contract rights. Since the shareholders were accredited investors, the issuance of the Common Stock was exempt from registration under Regulation D and Section 4(2) of the Securities Act of 1933, as amended.

(b) Between December 20, 1994 and January 31, 1995, the Company made a private placement of 700,000 shares of Class B Common Stock at $.10 per share. This transaction was exempt from registration under Section 504 of Regulation D of the Securities Act of 1933, as amended.

(c) During the period December 14, 1994 and March 6, 1995, the Company issued 600,000 shares of Class B Common Stock at $.75 per share. This transaction was exempt from registration under Section 504 of Regulation D of the Securities Act of 1933, as amended.

These shares of Class B Common Stock were exchanged in March 1996 for shares of Class A Common Stock pursuant to an exchange offer registered on Form S-1 Registration Statement (33-92592).

ITEM 5. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Company's Articles of Incorporation provide that the Company must indemnify each of its (i) fiduciaries within the meaning of the Employee Retirement Income Security Act of 1974, as amended, with respect to any employee benefit plan, and (ii) directors and officers, to the fullest extent permitted under the Oregon Business Corporation Act against all liabilities incurred by reason of the fact that the person is or was a director or officer of the Company or a fiduciary of an employee benefit plan, or is or was serving at the request of the Company as a director or officer, or fiduciary of an employee benefit plan, of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

The effect of these provisions is potentially to indemnify the Company's directors and officers from all costs and expenses of liability incurred by them in connection with any action, suit or proceeding in which they are involved by reason of their affiliation with the Company.





PART F/S

INDEX TO FINANCIAL STATEMENTS

<TABLE>
<CAPTION>



</TABLE>





[ETPA LETTERHEAD]

INDEPENDENT AUDITOR'S REPORT

Board of Directors
IAS Communications, Inc.
(A Development Stage Company)

We have audited the accompanying balance sheet of IAS Communications, Inc. (a Development Stage Company) as of April 30, 1996 and 1995 and the related statements of operations, stockholders' equity and cash flows for the period from December 13, 1994 (inception) to April 30, 1996 and the periods ended April 30, 1996 and 1995. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 1996 and 1995 and the results of its operations and its cash flows for the period from December 13, 1994 (inception) to April 30, 1996 and the periods ended April 30, 1996 and 1995 in conformity with U.S. generally accepted accounting principles.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has not generated any revenues or profitable operations since inception. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also discussed in Note 2. The financial statements do not include any adjustments which might result from the outcome of this uncertainty.

/s/ Elliot Tulk

/s/ Pryce Anderson

CHARTERED ACCOUNTANTS

Vancouver, B.C.
June 4, 1996





IAS Communications, Inc.
(A Development Stage Company)

Balance Sheets

April 30, 1996 and 1995
(expressed in U.S. dollars)

<TABLE>
<CAPTION>

| <S> | 1996 $ <C> | 1995 $ <C> |
|---|---|---|
| **Assets** | | |
| Current Assets | | |
| Cash | 185,038 | 188,147 |
| Prepaid expenses | 9,758 | 4,000 |
| | 194,796 | 192,147 |
| Licence (Note 4) | 250,001 | 250,001 |
| Patents (Note 4) | 15,488 | -- |
| | 460,285 | 442,148 |

Liabilities and Stockholders' Equity (Deficit)

| | | | |
|---|---|---|---|
| Current Liabilities | | | |
| Accounts payable and accrued liabilities | | 35,447 | 5,752 |
| Redeemable Class "A" Shares (Note 5) | | 197,750 | 197,750 |
| Subscriptions Received (Note 5) | | 416,250 | -- |
| | | 649,447 | 203,502 |
| Stockholders' Equity (Deficit) | | | |
| Common Stock (Note 5) | | | |
| Class "A" voting | 100,000,000 shares authorized without par value; 7,510,000 and 6,000,100 shares issued and outstanding respectively | 374,751 | 11 |
| Class "B" non-voting | 100,000,000 shares authorized without par value; nil and 1,036,333 shares issued and outstanding respectively | -- | 322,250 |
| | | 374,751 | 322,261 |
| Preferred Stock | | | |
| Authorized: | 50,000,000 | | |
| Deficit Accumulated During The Development Stage | | (563,913) | (83,615) |
| | | (189,162) | 238,646 |
| | | 460,285 | 442,148 |

</TABLE>

Commitments and Contingent Liabilities (Note 7)

** see Notes to the Financial Statements **





IAS Communications, Inc.
(A Development Stage Company)

Statement of Operations

Accumulated from December 13, 1994 (Inception)
To April 30, 1996 and the periods ended
April 30, 1996 and 1995
(expressed in U.S. dollars)

<TABLE>
<CAPTION>

| <S> | Accumulated During the Development Stage $ <C> | May 1, 1995 to April 30, 1996 $ <C> | December 13, 1994 (Inception) to April 30, 1995 $ <C> |
|---|---|---|---|
| Revenue | -- | -- | -- |
| Administration Expenses | | | |
| Bank charges | 376 | 255 | 121 |
| Consulting | 24,000 | 24,000 | -- |

| | | | |
|---|---|---|---|
| Investor relations | 16,496 | 14,496 | 2,000 |
| Management fees (Note 6) | 82,500 | 60,000 | 22,500 |
| Office, postage and courier | 12,064 | 11,472 | 592 |
| Professional fees | 144,346 | 108,590 | 35,756 |
| Rent and secretarial (Note 6) | 25,500 | 18,000 | 7,500 |
| Telephone | 11,133 | 252 | 10,881 |
| Transfer agent and regulatory | 4,698 | 3,048 | 1,650 |
| Travel and promotion | 11,623 | 6,005 | 5,618 |
| Less interest | (6,580) | (3,577) | (3,003) |
| | 326,156 | 242,541 | 83,615 |
| Research and Development Expenses | | | |
| Consulting | 17,667 | 17,667 | -- |
| Prototype construction and testing (Note 7) | 217,090 | 217,090 | -- |
| Royalty (Note 4) | 3,000 | 3,000 | -- |
| | 237,757 | 237,757 | -- |
| Net Loss | 563,913 | 480,298 | 83,615 |
| Net Loss Per Share | (.078) | (.065) | (.01) |
| Weighted Average Shares Outstanding | 7,258,767 | 7,310,000 | 7,149,408 |

(including redeemable shares)
</TABLE>

** see Notes to the Financial Statements **





IAS Communications, Inc.
(A Development Stage Company)

Statement of Cash Flows

Accumulated from December 13, 1994 (Inception)
to April 30, 1996 and the periods ended
April 30, 1996 and 1995
(expressed in U.S. dollars)

<TABLE>
<CAPTION>

| <S> | Accumulated During the Development Stage $ <C> | May 1, 1995 to April 30, 1996 $ <C> | December 13, 1994 (Inception) to April 30, 1995 $ <C> |
|---|---|---|---|
| Cash Flows to Operating Activities | | | |
| Net loss | (563,913) | (480,298) | (83,615) |
| Adjustment to reconcile net loss to cash | | | |
| Gain on shares cancelled | (10) | (10) | -- |
| Change in non-cash working capital items | | | |
| Increase in prepaid expenses | (9,758) | (5,758) | (4,000) |
| Increase in accounts payable | 35,447 | 29,695 | 5,752 |
| Net Cash Used in Operating Activities | (538,234) | (456,371) | (81,863) |
| Cash Flows to Investing Activities | | | |

| | | | |
|---|---|---|---|
| Increase in licence | (250,000) | -- | (250,000) |
| Increase in patent protection costs | (15,488) | (15,488) | -- |
| Net Cash Used in Investing Activities | (265,488) | (15,488) | (250,000) |
| Cash Flows from Financing Activities | | | |
| Increase in redeemable shares issued | 197,750 | -- | 197,750 |
| Increase in shares issued - cash | 374,760 | 52,500 | 322,260 |
| Increase in subscriptions for shares | 416,250 | 416,250 | -- |
| Net Cash Provided by Financing Activities | 988,760 | 468,750 | 520,010 |
| Increase (Decrease) in Cash | -- | (3,109) | 188,147 |
| Cash - Beginning of Period | 185,038 | 188,147 | -- |
| Cash - End of Period | 185,038 | 185,038 | 188,147 |
| Non-Cash Financing Activity | | | |
| The Company issued 6,000,000 Class "A" common shares at a deemed value of $1 in total for property (see Note 4) | 1 | -- | 1 |
| Shares issued to an officer at incorporation donated back to the Company and cancelled | (10) | (10) | -- |
| | (9) | (10) | 1 |

</TABLE>

** see Notes to the Financial Statements **





IAS Communications, Inc.
(A Development Stage Company)

Statement of Stockholders' Equity (Deficit)

Accumulated from December 13, 1994 (Inception)
to April 30, 1996
(expressed in U.S. dollars)

<TABLE>
<CAPTION>

| <S> | Shares # <C> | Common Stock Class "A" $ <C> | Common Stock Class "B" $ <C> | Deficit Accumulated During the Development Stage $ <C> |
|---|---|---|---|---|
| Balance - December 13, 1994 (Inception) | -- | -- | -- | -- |
| Shares issued to an officer at incorporation for cash at $0.10 per share | 100 | 10 | -- | -- |
| Shares issued on December 13, 1994 for property at a nominal value of $1 in total or $.00000017 per share | 6,000,000 | 1 | -- | -- |
| Shares issued from December 20, 1994 to January 31, 1995 pursuant to a private placement at $0.10 per share | 700,000 | -- | 70,000 | -- |

| | | | | |
|---|---|---|---|---|
| Shares issued from December 14, 1994 to March 6, 1995 pursuant to an offering memorandum at $0.75 per share | 336,333 | -- | 252,250 | -- |
| Net loss for the period | -- | -- | -- | (83,615) |
| Balance - April 30, 1995 | 7,036,433 | 11 | 322,250 | (83,615) |
| Shares issued to an officer at incorporation donated back to the Company and cancelled on July 12, 1995 | (100) | (10) | -- | -- |
| Share exchange (Note 5) | -- | 322,250 | (322,250) | -- |
| Shares issued pursuant to options exercised in April, 1996 at $0.25 per share | 210,000 | 52,500 | -- | -- |
| Net loss for the year | -- | -- | -- | (480,298) |
| Balance - April 30, 1996 | * 7,246,333 | 374,751 | -- | (563,913) |

</TABLE>

(* not including redeemable shares)

** see Notes to the Financial Statements **





IAS Communications, Inc.
(A Development Stage Company)
Notes to the Financial Statements
April 30, 1996 and 1995
(expressed in U.S. dollars)

1. Date of Incorporation

The Company is a development stage company which was incorporated under the Laws of the State of Oregon on December 13, 1994.

2. Nature and Continuance of Business

The Company's business purpose is to manufacture and/or licence the rights to manufacture certain proprietary Torroidal Helical Antenna Technology ("The Technology") excluding military applications and resulting procurement interests.

These financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has not generated any revenues or profitable operations since inception. The Company's activities are in the development stage and additional costs for the further improvement of The Technology must be incurred (See Note 7). Management expects the contracts to be completed by June 30, 1996 at which time a limited number of applications may be licensable without incurring any extra costs. The Company will then research other applications of the antenna which will require funds to be raised at that time. There is substantial doubt as to the Company's ability to generate revenues and to continue as a going concern, as the continuation of the Company as a going concern is dependent on its ability to obtain financing and/or the attainment of revenues and profitable operations. Management will raise additional capital through private placements, public offerings and the exercise of stock options.

3. Summary of Significant Accounting Policies

(a) Year-End

The Company's fiscal year-end is April 30.

(b) Research and Development

Research and development is expensed in the period in which the activities occurred.

(c) Patents and Licence

Costs associated with patent protection and licences will be amortized over 20 years upon licenceable product being developed.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

(e) Tax Accounting

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. Research and development is deducted in the year incurred and added to net operating loss.





(e) Tax Accounting (continued)

The Company has adopted SFAS 109 as of its inception. The Company has incurred net operating losses as scheduled below:

| Year of Loss | Amount $ | Expiration Date |
|---|---|---|
| April 30, 1995 | 83,615 | 2010 |
| April 30, 1996 | 480,298 | 2011 |

Pursuant to SFAS 109 the Company is required to compute tax asset benefits for net operating loss carryforwards. Potential benefit of net income losses have not been recognized in the financial statements because the Company cannot be assured that it is more likely than not that it will utilize the net operating loss carryforwards in future years.

The components of the net deferred tax asset at the end of April 30, 1996 and 1995, and the statutory tax rate, the effective tax rate and the elected amount of the valuation allowance are scheduled below:

| | April 30, 1996 $ | April 30, 1995 $ |
|---|---|---|
| Net Operating Loss | 480,298 | 83,615 |
| Statutory Tax Rate | 114,150 +39% in excess of $335,000 | 13,750 + 34% in excess of 75,000 |
| Effective Tax Rate | -- | -- |
| Deferred Tax Asset | 163,550 | 16,679 |
| Valuation Allowance | (163,550) | (16,679) |
| Net Deferred Tax Asset | -- | -- |

4. Licence and Patents

(a) Licence

Pursuant to the terms of an option agreement dated November 18, 1994 and amended December 16, 1994 between SMR Investments Ltd. ("SMR") and Integral Concepts Inc. ("ICI") and an assignment of this option agreement dated December 13, 1994, the Company acquired an exclusive sublicence to The Technology, subject to entering into a formal sublicence agreement. Pursuant to the terms of the option agreement, the Company paid $250,000 to ICI, which owns the exclusive licence obtained from West Virginia University Research Corporation ("WVURC") in an agreement dated April 12, 1994. SMR, ICI and WVURC are not related to each other. Pursuant to the assignment agreement, the Company issued 3,000,000 shares to each of Access Information Systems Inc. (A company controlled by SMR) and a director of the Company (principal of ICI) for a total deemed value of $1 for all 6,000,000 shares issued.





4. Licence and Patents

(a) Licence (continued)

Pursuant to the original licence agreement between WVURC and ICI, ICI was granted the exclusive licence to manufacture The Technology or sublicence others to manufacture, market, sell copies of, licence and distribute The Technology. On July 10, 1995, the Company and ICI entered into an exclusive sublicence agreement, which incorporates the terms and conditions of the original licence agreement between WVURC and ICI. The sublicence will be exclusive, covering any and all international markets but will exclude all military applications and resulting procurement interests which will be retained by ICI and WVURC for development purposes. All improvements and embodiments that are created as a result of these military applications and additional research and development efforts by ICI and WVURC will be transferred directly to the Company. The terms of the sublicence agreement, which incorporates the financial obligations that ICI owes WVURC pursuant to the original licence agreement, are as follows:

(i) The Company will pay WVURC a minimum annual royalty starting December 31, 1995 of $3,000.

(ii) The Company will pay WVURC an earned royalty on sales, leases or sublicences of The Technology of 10% of net revenues less a credit for the minimum annual royalty.

(iii) The Company will pay ICI a 3% royalty on all gross sales.

All royalties are payable within 30 days of each calendar quarter. The agreement will be renewed for one year periods after December 31, 1996. The term of the original licence agreement and the sublicence agreement, subject to compliance with the terms thereof, is perpetual.

(b) Patents

The Company has paid $15,488 to register and protect patents.

5. Common Stock

(a) Stock options

The Company granted certain directors and employees stock options to acquire 600,000 Class "A" shares exercisable as to 510,000 at $0.25, expiring December 29, 1999, as to 50,000 at $0.25, expiring February 24, 2000 and as to 40,000 at $1.25, expiring March 4, 2000. These options are currently exercisable. Stock options to acquire 50,000 shares at $0.25 per share were cancelled on September 7, 1995. During the year options with respect to 210,000 shares exercisable at $0.25, expiring December 29, 1999 were exercised and $52,500 received.

(b) Commitment

Pursuant to an agreement dated January 31, 1995, the Company committed 75,000 shares as compensation to a supplier of services to be paid upon the effective date of a registration statement. The value to be assigned to the 75,000 shares was to be $25,000.





5. Common Stock

b) Commitment (continued)

Pursuant to an amendment agreement on April 11, 1996 the parties agreed to amend the above agreement as follows:

(i) $10,000 (paid).
(ii) $62,500 (paid on April 22, 1996).

(iii) 25,000 Class "A" shares to be issued on April 22, 1996 (not issued; the deemed value of $8,333 has been accrued).

(iv) An option to acquire 50,000 Class "A" shares at $1.25 per share. This option was exercised on April 25, 1996. These shares have not been issued.

c) Exchange of 1,300,000 Class "B" non-voting shares to 1,300,000 Class "A" voting shares

During the year holders of 1,300,000 Class "B" non-voting shares agreed to exchange these shares for 1,300,000 Class "A" voting shares. Of the 1,300,000 Class "A" shares issued and outstanding, 263,667 are redeemable Class "A" shares as discussed in (d) below.

d) Redeemable Class "A" shares

Between December 14, 1994 and March 6, 1995 the Company received subscriptions for 263,667 Class "B" shares and received $197,750 from investors in states where they have the right to revoke their subscription and demand their investment be returned to them within three years of subscription as to $161,500 and within six years as to $36,250. The 263,667 redeemable Class "B" shares were issued and then exchanged for 263,667 Class "A" shares, and are outstanding. To date, holders of these shares have not revoked their subscriptions.

e) Subscriptions received

(i) Pursuant to a private placement dated March 1, 1996, to issue up to 400,000 Class "A" shares at $1.25 per share, investors have subscribed for 283,000 shares and deposited $353,750 into the Company's treasury. These shares have not been issued.

(ii) A total of $62,500 was received pursuant to stock options being exercised. The 50,000 shares have not been issued.

6. Related Party Transactions

(a) See Note 4 - the option to acquire the exclusive licence to The Technology was assigned by SMR and ICI, controlled by directors of the Company, John Robertson and James E. Smith, respectively.

(b) A management fee of $2,500 per month and rent and secretarial fees of $1,500 per month has been paid to Access (controlled by a director, John Robertson) and $2,500 per month has been paid to a director and Chairman of the Board, James E. Smith (principal of ICI).

(c) See Note 3 - a 3% royalty on gross sales will be paid to ICI.





7. Commitments and Contingent Liabilities

(a) Commitments

(i) See Notes 4 and 5 for ongoing royalty commitments.

(ii) The Company has entered into an agreement with WVURC to fund the computer modeling portion of the development of The Technology in the amount of $231,373. A total of $155,590 has been expended to April 30, 1996.

(iii) The Company has entered into a fixed-price contract with Emergent Technologies Corporation of Morgantown, West Virginia to fund the prototype development and testing of specific applications of The Technology in the amount of $111,271. A total of $60,000 has been paid to April 30, 1996. A final report is expected by June 30, 1996.

(iv) See Note 5 for commitments to issue shares upon the exercise of stock options.

(b) Contingent liability - Continuance of Business (See Note 2).





PART III

ITEM 1. INDEX TO AND DESCRIPTION OF EXHIBITS

<TABLE>
<CAPTION>

| Number | | Description | Page No. |
|---|---|---|---|
| <S> | <C> | <C> | <C> |
| 2 | ARTICLES OF INCORPORATION AND BY-LAWS | | |
| | 2.1 | Articles of Incorporation | (1) |
| | 2.2 | Article of Amendment | (1) |
| | 2.3 | By-Laws | (1) |
| 3 | INSTRUMENTS DEFINING RIGHTS OF SECURITY HOLDERS | | |
| | 3.1 | Specimen Share Certificate for Class A Shares | (1) |
| 6 | MATERIAL CONTRACTS | | |
| | 6.1 | Agreement between West Virginia University Research Corporation and Integral Concepts, Inc. | (1) |
| | 6.2 | Agreement between Integral Concepts, Inc. and SMR Investments, Inc. | (1) |
| | 6.3 | Agreement between SMR Investments, Inc. and the Company | (1) |
| | 6.4 | Agreement with Greg Ruff | (1) |
| | 6.5 | British Columbia Confidential Offering Memorandum | (1) |
| | 6.6 | Sublicense Agreement between Integral Concepts, Inc. and the Company | (1) |
| | 6.7 | Project Agreement between the Company and West Virginia Center for Industrial Research Applications | (1) |
| | 6.8 | Assignment Agreement between SMR Investments, Inc. and the Company | (1) |
| | 6.9 | Agreement between Emergent Technologies Corporation and the Company | |
| 27 | FINANCIAL DATA SCHEDULE | | |

</TABLE>

--------------------

(1) Incorporated by reference from Form S-1 Registration Statement (33-92592).





SIGNATURES

Pursuant to the requirements Section 12 of the Securities Exchange Act of 1934, the Registrant has duly caused this report or amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

IAS COMMUNICATIONS, INC.

By: /s/ John G. Robertson
------------------------------------
John G. Robertson, President
Chief Executive Officer and Director

Dated: July 29, 1996

EXHIBIT 6.9

EMERGENT TECHNOLOGIES CORPORATION
Route 7, Box 145
Morgantown, West Virginia 26505

27 June 1996
Mr. John Robertson
IAS Communications, Inc.
Suite 185-10751
Shellbridge Way
Richmond BC V6X2W8

Mr. Robertson:

This is further to our discussions and is in regard to our proposal for the development of cellular and personal communications systems CTHAs sent to you on 14 June 1996. Please be advised that to meet the schedules we have coordinated, and to make the antenna technology available for commercialization during this calendar year we would like your authorization to start work effective July 1, 1996.

This is a fixed cost contract with a period of performance of 150 days from authorization to proceed. Please sign, date, and return this letter with a first payment of US $25,000 by courier so we can solidify our schedule and start work next week. We will invoice the 3 following months at U.S. $30,000 and submit a final invoice for the balance of US $39,864 on 1 November 1996.

Our enthusiasm and confidence are very high following the successes of our first phase effort and we are equally confident that the second phase will be as successful.

Sincerely,

Jack Parsons, President
Emergent Technology Corporation

BE IT RESOLVED THAT:
THE ABOVE AGREEMENT IS APPROVED
BY THE BOARD OF DIRECTORS OF

IAS COMMUNICATIONS, INC.

Authorization to Proceed:

/s/ John Robertson                                                    Date:  June 28, 1996
John Robertson, President IAS

/s/ Patrick Badgley

/s/ Paul Lamarche

<TABLE> <S> <C>

<ARTICLE> 5

| <S> | <C> |
|---|---|
| <PERIOD-TYPE> | YEAR |
| <FISCAL-YEAR-END> | APR-30-1996 |
| <PERIOD-START> | MAY-01-1995 |
| <PERIOD-END> | APR-30-1996 |
| <CASH> | 185,038 |
| <SECURITIES> | 0 |
| <RECEIVABLES> | 0 |
| <ALLOWANCES> | 0 |
| <INVENTORY> | 0 |
| <CURRENT-ASSETS> | 194,796 |
| <PP&E> | 0 |
| <DEPRECIATION> | 0 |
| <TOTAL-ASSETS> | 460,285 |
| <CURRENT-LIABILITIES> | 35,447 |
| <BONDS> | 0 |
| <PREFERRED-MANDATORY> | 0 |
| <PREFERRED> | 0 |
| <COMMON> | 374,751 |
| <OTHER-SE> | (563,913) |
| <TOTAL-LIABILITY-AND-EQUITY> | 460,285 |
| <SALES> | 0 |
| <TOTAL-REVENUES> | 0 |
| <CGS> | 0 |
| <TOTAL-COSTS> | 0 |
| <OTHER-EXPENSES> | 480,298 |
| <LOSS-PROVISION> | (480,298) |
| <INTEREST-EXPENSE> | 0 |
| <INCOME-PRETAX> | (480,298) |
| <INCOME-TAX> | 0 |
| <INCOME-CONTINUING> | (480,298) |
| <DISCONTINUED> | 0 |
| <EXTRAORDINARY> | 0 |
| <CHANGES> | 0 |
| <NET-INCOME> | (480,298) |
| <EPS-PRIMARY> | (.065) |
| <EPS-DILUTED> | 0 |

</TABLE>