FORM 10QSB

Optional form for quarterly and transition reports of small business issuers under section 13 or 15(d)

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FILER

NORPAC TECHNOLOGIES, INC.

CIK:**1067286**| IRS No.: **954705831** | State of Incorp.:**NV** | Fiscal Year End: **0630**
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SIC: **2080** Beverages

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

(Mark One)

☒ Quarterly Report Pursuant To Section 13 Or 15(d) Of The Securities Exchange Act Of 1934

For the quarterly period ended **March 31, 2004**

☐ Transition Report Under Section 13 Or 15(d) Of The Securities Exchange Act Of 1934

For the transition period from _____ to _____

COMMISSION FILE NUMBER 000-27147

NORPAC TECHNOLOGIES, INC.

(Name of small business issuer in its charter)

NEVADA	**95-4705831**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
698 Seymour Street, Suite 311	
Vancouver, British Columbia	**V6B 3K6**
(Address of principal executive offices)	(Zip Code)

(604) 688-8619
Issuer's telephone number

NOT APPLICABLE
Former name, former address and former fiscal year, if changed since last report

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ **No** ☒

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: **As of July 29, 2004, the Issuer had 1,976,549 shares of common stock outstanding.**

Transitional Small Business Disclosure Format (check one): Yes ☐ **No** ☒

PART 1 - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

The accompanying unaudited financial statements have been prepared in accordance with the instructions to Form 10-QSB and Item 310 (b) of Regulation S-B, and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the quarterly period ended March 31, 2004 are not necessarily indicative of the results that can be expected for the year ending June 30, 2004.

As used in this Quarterly Report, the terms "we", "us", "our", and "our company" mean NorPac Technologies, Inc. (formerly Cool Can Technologies, Inc.), unless otherwise indicated.

COOL CAN TECHNOLOGIES, INC.

(A Development Stage Company)

BALANCE SHEETS

	March 31, 2004 (unaudited)	June 30, 2003 (audited)
ASSETS		
CURRENT ASSETS:		
Cash	$327	$55,043
Convertible notes subscription receivable	-	10,000
Available-for-sale securities	18,000	15,000
Total Current Assets	18,327	80,043
AVAILABLE-FOR-SALE SECURITIES	300,000	-
INTANGIBLES, NET	12,600	14,400
	330,927	94,443
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable	$124,903	$78,619
Accounts payable, stockholder	49,890	23,640
Due to stockholders	-	326
Accrued interest	63,998	22,685
Total Current Liabilities	238,791	125,270
CONVERTIBLE NOTES, NET OF ORIGINAL ISSUE DISCOUNT	221,130	80,186
STOCKHOLDERS' DEFICIT:		
Preferred stock, no par value, 50,000,000 shares authorized, none issued or outstanding	-	-
Common stock, no par value, 100,000,000 shares authorized, 19,352,966 and 19,352,966 shares issued and outstanding, respectively	664,769	664,769
Additional paid in capital	1,054,000	1,054,000
Deficit accumulated during the development stage	(1,927,763)	(1,781,782)
Accumulated other comprehensive gain (loss)	80,000	(48,000)
	(128,994)	(111,013)
	$330,927	$94,443

See Notes to Financial Statements.

COOL CAN TECHNOLOGIES, INC.

(A Development Stage Company)

STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,		Period from Inception (April 1,1998) Through
	2004	2003	2004	2003	March 31, 2004
Revenues	$-	$-	$175,000	$63,000	$238,000
Administrative pre-opening and development expenses	(112,462)	(81,989)	(320,981)	(179,265)	(1,521,763)
Impairment of intangible	-	-	-	-	(20,000)
Stock compensation expense	-	-	-	-	(624,000)
Net Loss	(112,462)	(81,989)	(145,981)	(116,265)	(1,927,763)
Other comprehensive gain (loss) - unrealized gain (loss) on available-for-sale securities	79,500	(6,000)	128,000	(54,000)	80,000
Comprehensive Loss	$(32,962)	$(87,989)	$(17,981)	$(170,265)	$(1,847,763)
Loss per common share - basic	$(0.00)	$(0.00)	$(0.00)	$(0.01)	$(0.11)
Loss per common share - diluted	$(0.00)	$(0.00)	$(0.00)	$(0.00)	$(0.11)
Weighted average outstanding shares	19,352,966	19,352,966	19,352,966	19,352,966	17,061,139

See Notes to Financial Statements.

COOL CAN TECHNOLOGIES, INC.

(A Development Stage Company)

STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine Months Ended March 31, 2004	Nine Months Ended March 31, 2003	Period From Inception (April 1, 1998) Through March 31, 2004
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$(145,981)	$(116,265)	$(1,927,763)
Amortization expense	1,800	1,800	11,400
Compensation expense, options to nonemployees	-	-	504,000
Receipt of available-for-sale securities	(175,000)	(63,000)	(238,000)
Excess of fair value of common stock issued over carrying amount of debt	-	-	120,000
Amortization of original issue discount	140,944	37,805	221,130
Impairment loss on intangibles	-	-	20,000
Increase in accounts payable	46,284	62,419	193,699
Increase in accrued interest	41,313	10,639	63,998
Increase in accounts payable, stockholders	26,250	40,500	283,890
Increase (decrease) in due to stockholders	(326)	21,102	20,776
	(64,716)	(5,000)	(726,870)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of intangibles	-	-	(44,000)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of common stock	-	-	329,769
Net proceeds from due to stockholders	-	-	348,928
Proceeds from convertible notes subscription receivable	10,000	-	10,000
Issuance of convertible notes	-	5,000	82,500
	10,000	5,000	771,197
Increase (decrease) in cash	(54,716)	-	327
Cash:			
Beginning	55,043	-	-
Ending	$327	$-	$327
SUPPLEMENTAL CASH FLOWS INFORMATION:			
Cash paid for interest	$-	$-	$686
NONCASH INVESTING AND FINANCING ACTIVITIES:			
Stock issued for amount due to stockholders	$-	$-	$205,000
Stock issued for accounts payable	$-	$-	$10,000
Conversion of accounts payable, stockholders and due to stockholders and issuance of subscription receivable for convertible notes	$-	$456,985	$467,500

See Notes to Financial Statements.

COOL CAN TECHNOLOGIES, INC.
(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Summary of Significant Accounting Policies:

Financial Statements:

The balance sheet of Cool Can Technologies, Inc. ("the Company") as of March 31, 2004 and the statements of operations and cash flows for the periods ended March 31, 2004 and 2003 have been prepared by the Company, without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in cash flows at March 31, 2004 and for all periods presented have been made. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's June 30, 2003 audited financial statements. The results of operations for the period ended March 31, 2004 are not necessarily indicative of the operating results for the full year.

Organization and activities:

The Company was incorporated on April 1, 1998 in the state of Minnesota. The Company was formed to act as a holding company for manufacturing companies and since inception, has devoted its efforts to raising capital and pre-opening activities. The Company owns a patent for a self-chilling beverage container and parts therefore.

The Company is considered to be in the development stage and the accompanying financial statements represent those of a development stage enterprise, and therefore, are subject to the usual business risks of development stage companies. The Company has had no operations. Research and development costs are expensed as incurred.

A summary of the Company's significant accounting policies follows:

Income taxes:

Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of the enactment.

Note 1. Nature of Business and Summary of Significant Accounting Policies (continued):

Intangibles:

Intangible assets (Note 5) are amortized using the straight-line method over 10 years. In accordance with Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" as circumstances dictate, the Company evaluates whether changes have occurred that would require revision of the remaining estimated lives of recorded long-lived assets, including intangibles, or render those assets not recoverable. If such circumstances arise, recoverability is determined by comparing the undiscounted net cash flows of long-lived assets to their respective carrying values. The amount of impairment, if any, is measured based on the projected discounted cash flows using an appropriate discount rate. At this time, the Company believes that no significant impairment of the remaining intangibles, has occurred and that no reduction of the estimated useful lives of such assets is warranted (see Note 5). Amortization expense for each of the quarters ended March 31, 2004 and 2003 was $600. Accumulated amortization was $11,400 and $9,600 at March 31, 2004 and June 30, 2003, respectively. Estimated annual amortization expense is $2,400 for each of the next five years.

Stock-based compensation:

The Company applies Accounting Principles Board (APB) Opinion 25 "Accounting for Stock Issued to Employees" and related Interpretations in accounting for its stock options. Accordingly, no compensation cost has been recognized for stock options issued to employees for the nine months ended March 31, 2004 and 2003 or the period from inception through March 31, 2004. Stock options and warrants issued to nonemployees are recorded at fair value, as required by SFAS No. 123, using the Black Scholes pricing model.

Had compensation costs for the Company's stock options been determined based on the fair value at the grant dates consistent with the method of SFAS No. 123, the Company's net loss and loss per common share would have been changed to the pro forma amounts indicated below:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2004	2003	2004	2003
Net loss	$(112,462)	$(81,989)	$(145,981)	$(116,265)
Pro forma net loss	(112,462)	(81,989)	(145,981)	(116,265)
Stock based compensation				
As reported	0	0	0	0
Pro forma	0	0	0	0
Basic and diluted loss per common share				
As reported	$0.00	$0.00	$0.00	$0.00

The fair value of each option was estimated using the Black-Scholes option-pricing model with the following assumptions for the three and nine months ended March 31, 2004 and 2003:

Risk-free interest rate	2.5-3.0%
Expected lives	1-2 years
Volatility	95%

Loss per common share:

Loss per share is computed based on the weighted average number of common shares outstanding. Potential issuances that would reduce loss per common share are considered anti-dilutive and are excluded from the computation.

Note 1. Nature of Business and Summary of Significant Accounting Policies (continued):

Estimates and assumptions:

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Significant estimates include the valuation of stock issued. Actual results could differ from these estimates.

Start-up costs:

Start-up costs incurred in connection with start-up activities are charged to expense as incurred.

Carrying value of financial instruments:

The carrying value of the Company's financial instruments approximates fair value at March 31, 2004 and June 30, 2003.

Note 2. Income Taxes:

For income tax purposes, pre-opening costs are generally deferred and amortized to expense in future tax returns. Accordingly, the Company has no tax loss carryforwards. For financial reporting purposes, realization of the value of book vs. tax temporary differences is dependent upon the Company generating sufficient taxable income in future years. Because of the development stage nature of the Company, lack of operating history and potential future stock sales (which may limit the value of loss carryforwards) management has eliminated the deferred tax value of pre-opening costs by a valuation allowance.

The benefit for income taxes differs from the amount computed by applying the U.S. federal income tax rate to loss before income taxes for the nine months ended as follows:

	March 31, 2004	March 31, 2003
Expected tax benefit at statutory rate	$(49,600)	$(39,500)
State tax effects	(8,800)	(7,000)
Effect of graduated federal rates	-	
Increase in valuation allowance	58,400	46,500
	$-	$-

Tax law provides for limitation on the use of future loss carryovers should significant ownership changes occur.

The following is a summary of deferred taxes at March 31, 2004:

Deferred tax assets:	
Pre-opening costs and other costs	$792,025
Valuation allowance	(792,025)
	$-

Note 3. Related Party Transactions:

The Company currently has a consulting arrangement with an officer/stockholder. Such consulting fees totaled $15,000 and $15,000 for the three months ended March 31, 2004 and 2003, respectively, and $45,000 and $40,500 for the nine months ended March 31, 2004 and 2003, respectively. Consulting fees from inception through March 31, 2004 totaled $483,000. In 2003, amounts due to the officer/stockholder for consulting services rendered totaling $137,510 were transferred to third parties to settle debts of the officer/stockholder (which were subsequently converted into convertible notes, and $96,490 was converted into convertible notes by the officer/stockholder (Note 7). The balance due to the officer/stockholder at March 31, 2003 and June 30, 2003 was $49,890 and $23,640, respectively. Amounts due to the officer/ stockholder are unsecured, non- interest bearing, and due on demand.

The Company received services from various stockholders. In 2003, amounts due to the stockholders for loans received totaled $144,704, plus an additional $20,000 in consulting fees, such that a total of $164,704 were converted into convertible notes (Note 7). The advances are unsecured, non-interest bearing, and due on demand. The balance due to the various stockholders was $0 and $326 as of March 31, 2004 and June 30, 2003, respectively.

Note 4. Available-for-sale Securities:

The Company records available-for-sale securities at market value.

In November 2002, the Company received securities valued at $63,000. Pursuant to the license agreement described in Note 6, the Company is entitled to receive additional securities valued at $175,000. The securities consist of 5,300,000 shares of Balsam Ventures, Inc. The market value of the securities was $318,000 as of March 31, 2004. Accordingly, the Company recorded an unrealized gain on available-for-sale securities.

Note 5. Intangibles:

A United States patent for a *self-chilling beverage container and parts therefore* was obtained by a founding stockholder on March 11, 1997. During 1998, the patent and patent holder rights thereunder were sold to the Company for $1. Subsequent costs in June 1999 of $24,000 to file foreign patent applications have been similarly capitalized.

In April 2001, the Company acquired a patent pending from certain stockholders which expands on the above patent. The acquisition agreement required the payment by the Company to the stockholders of $20,000. In addition, the Company was to issue to the stockholders: (i) 150,000 shares of the Company's common stock upon the grant of a patent in connection with the acquired patent pending; and (ii) an additional 90,000 shares for each country in respect of which the Company grants a license of the acquired technology, for the first ten countries, and 60,000 shares for each additional country, to a maximum of 1,500,000 shares under the acquisition agreement. The Company was to also pay an ongoing royalty to the stockholders based on sales of products incorporating the technology as follows: (i) 4.5% of gross profits achieved by the Company on products incorporating the technology; and (ii) 15% of any licensing revenues or royalty payments earned by the Company on licenses of the acquired technology. The Company had agreed to use its best efforts to commercialize the acquired technology and to apply to the United States Patent Office for a grant of a patent relating to the patent pending. The agreement was cancelled due to the Company's default under the agreement on June 14, 2003 as such, an impairment loss of $20,000 was recorded for the year ended June 30, 2003.

Note 6. License Agreement:

The Company has entered into an exclusive licensing agreement (the "Agreement") with Balsam Ventures, Inc. ("Balsam"), dated for reference November 30, 2003, granting Balsam the exclusive right and license (the "License"), for a period of 40 years, to use, commercialize and exploit the Company's proprietary trademarks, patents, process information, technical information, designs and drawings associated with the Company's self- chilling beverage container technology (the "Technology") including the right to manufacture, use and sell apparatus and products embodying the Technology within the countries comprising the European Union and the Republic of China. Balsam also has the right to sub-license the right to manufacture, use and sell products embodying the Technology.

The consideration for the Agreement is as follows:

1. Balsam must issue to the Company 5,000,000 restricted shares of its common stock; and

2. Balsam must pay the Company the following royalties: (a) a sales royalty equal to 2% of gross profits from sales of all apparatus incorporating the Technology and/or commercial goods or products incorporating the Technology, (b) a license royalty equal to 5% of revenues received by Balsam from sub-licensing the Technology, and (c) a minimum royalty payment of $5,000 per month commencing on January 15, 2006, which is to be credited towards all royalty payments under the Agreement that have been paid by Balsam or become payable by Balsam during the course of the Agreement.

The Technology and the Company patents and trademarks included in the Technology remain the property of the Company subject to the terms of the License granted under the Agreement. However, Balsam has a right of first refusal to acquire the intellectual property subject to the Agreement should the Company seek to dispose of the Technology during the currency of the Agreement. The Agreement supercedes all prior arrangements and agreements between the Company and Balsam in respect of the Technology.

Note 7. Convertible Notes:

During the period from January through June 2003, the Company issued $550,000 of 10% convertible notes pursuant to Regulation S of the Securities Act of 1933. The convertible notes are due on or before December 31, 2005 and the holder of the note has the right to convert the note into the Company's common stock at any time prior to the maturity date. The note is convertible at the lesser of $.001 or 50% of the average trading price of the Company's common stock for the 10 trading days preceding the date of conversion. The proceeds and conversion of accounts payable, accounts payable-stockholder and due to stockholders of $550,000 were allocated between the note and the beneficial conversion, which were valued using the Black Scholes pricing model. The resulting fair value of the beneficial conversion of the note payable into common stock as defined in Emerging Issues Task Force (EITF) 00-27 "Application of Issue No. 98-5 to Certain Convertible Instruments", in the amount of $550,000 is being amortized over the life of the note using the straight-line method, which approximates the interest method. The entire proceeds were allocated to the beneficial conversion right. The value of the conversion option at the date of issuance exceeded the face value of the note resulting in an immediate benefit to the note holder. The value of the beneficial conversion, using the Black Scholes pricing model, was more than the proceeds received by the Company for the issuance of the convertible notes. In accordance with Emerging Issues Task Force (EITF) 00-27 "Application of Issue No. 98-5 to Certain Convertible Instruments", the full amount of the proceeds ($550,000) was recorded as additional paid in capital, and the carrying value of the convertible notes are shown net of the original issue discount related to the beneficial conversion. The original issue discount is being amortized over the life of convertible note.

Note 7. Convertible Notes (cont.):

The notes may be converted at the holder's sole option. The Company may at its option elect to pay a portion of the interest due by issuing the Company's common stock as defined in the convertible note agreement. The fair value of the beneficial conversion is as follows:

	March 31, 2004	June 30, 2003
Proceeds and conversion of accounts payable, accounts payable-stockholder and due to stockholders	$550,000	$550,000
Less: beneficial conversion	(328,870)	(469,814)
Convertible notes, net of original issue discount	$221,130	$80,186

The convertible notes subscription receivable of $10,000 was collected during the three months ended September 30, 2003. Interest expense was $60,694 and $48,444 for the three months ended March 31, 2004 and 2003, respectively, and $182,257 and $48,444 for the nine months ended March 31, 2004 and 2003, respectively. Interest expense for the three and nine months ended March 31, 2004 consisted of accrued interest on the convertible notes of $13,712 and $41,313, respectively, and amortization of original issue discount of $46,982 and $140,944, respectively.

Note 8. Company's Continued Existence:

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. However, the Company has sustained substantial losses and is still in the development stage. Additional funding will be necessary to continue development and marketing of the product. The Company intends to arrange for the sale of additional shares of stock to obtain additional operating capital for at least the next twelve months. There can be no assurance the Company will be able to raise the necessary capital to continue in business.

Note 9. Subsequent Events:

On April 23, 2004, an officer/stockholder converted a portion of a convertible note in the amount of $20,000. In accordance with the convertible note agreement, the Company has issued 20,000,000 common shares for the conversion and an additional 178,007 common shares to satisfy the accrued interest payable on the note.

On May 14, 2004, the Company filed a schedule 14A preliminary proxy statement with the Securities and Exchange Commission.

On June 2, 2004, subsequent to a review of the filing by the Securities and Exchange Commission, the 14A proxy statement was determined to be definitive, and a special meeting of shareholders was set for June 21, 2004.

On June 21, 2004, stockholders of the Company approved an agreement with an effective date of July 12, 2004 to merge with NorPac Technologies, Inc. (NorPac), a Nevada Corporation. On closing of the Merger Agreement:

- NorPac will be the surviving corporation of the Merger and will continue to operate the Company's business.

- The Company's shareholders will receive one share of common stock of NorPac for each 20 shares of the Company's common stock they own.

Note 9. Subsequent Events (cont.):

- Each 20 options granted to the Company's option holders to purchase or otherwise acquire shares of the Company's common stock will be subsequently converted into one option to purchase or otherwise acquire shares of NorPac common stock under the same terms and conditions.

- Each Cool Can 10% convertible note holder will have their notes converted into NorPac convertible notes on the same terms and conditions as the Cool Can 10% convertible note, subject to the new conversion price of the lesser of $0.02 or 50% of the average trading price of the surviving corporation's common stock for the 10 trading days immediately preceding the date of conversion shares of common stock of the surviving corporation.

The shares of NorPac's common stock to be issued to the Company's stockholders on completion of the Merger will not be registered with the Securities and Exchange Commission or the securities commission of any U.S. state, and will be issued in reliance upon exemptions from registration under the Securities Act of 1933, as amended.

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

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Management's Discussion and Analysis or Plan of Operations and other sections of this quarterly report constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). These statements, identified by words such as "plan", "anticipate", "believe", "estimate", "should", "expect" and similar expressions include our expectations and objectives regarding our future financial position, operating results and business strategy. These statements reflect the current views of management with respect to future events and are subject to risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from those described in the forward-looking statements. We do not intend to update the forward-looking information to reflect actual results or changes in the factors affecting such forward-looking information. We advise you to carefully review the reports and documents we file from time to time with the Securities and Exchange Commission (the "SEC"), particularly our annual report on Form-10KSB, our quarterly reports on Form 10-QSB and our current reports on Form 8-K.

OVERVIEW

We are in the business of developing and marketing a patented unique proprietary technology which is intended to allow for the licensing and manufacture of a commercially viable self-chilling beverage container. We are currently in the development stage of our business. We are in the process of taking our planned product from the conceptual stage of development to the production of a prototype of a self-chilling beverage container that we can use for testing purposes. If our testing efforts are successful, we will then proceed to the marketing phase of our plan of operations which involves marketing the self-chilling beverage container to beverage manufacturers. We have not completed the development of a commercially viable self-chilling beverage container to date, nor have we achieved any revenues from sales of our products to date. Our ability to pursue our plan of operations, as discussed below, is contingent upon us achieving substantial financing, of which there is no assurance.

Our proposed product is referred to by us as the "Cool Can" product and consists of a module for insertion in an aluminum beverage container that incorporates a cartridge of liquid carbon dioxide ("CO_2") that is held in place by a cartridge holder. The module consists of proprietary technology for which we have been granted patent protection. The module would be inserted in an aluminum beverage container during an automated canning process. Containers incorporating the Cool Can product would be identified and sold as self-chilling beverage containers. To start the chilling process, a consumer would pull the tab off the container as with a regular non-chilling beverage container. When the tab on the lid of the beverage container is pulled by the consumer, a valve mechanism within the container releases the compressed liquid CO_2. The escaping CO_2 forms into small particles of frozen snow at extremely cold temperatures and rapidly imparts a chilling action to the beverage. The targeted result is that the consumer may purchase a beverage at room temperature and enjoy it cold without having to purchase it from a cooler or purchase ice to cool the beverage.

In November, 2003 we entered into a license agreement (the "License Agreement") with Balsam Ventures, Inc. ("Balsam"), pursuant to which we granted Balsam an exclusive license (the "License") for a term of 40 years to manufacture, use, exploit and sell our proprietary technology within the countries comprising the European Union and China (the "Exclusive Region"). We also granted Balsam a right of first refusal (the "Right of First Refusal") to purchase our proprietary technology and to license that technology for countries that are not a party to the North American Free Trade Agreement and are outside of the Exclusive Region. In consideration of the grant of the License and Right of First Refusal, Balsam agreed to:

(1) issue 5,000,000 shares of its common stock to us; and

(2) pay us the following royalties:

(a) a sales royalty equal to 2% of gross profits from sales of all apparatus incorporating our proprietary technology and/or commercial goods or products incorporating our proprietary technology, and

(b) a license royalty equal to 5% of revenues received by Balsam from sub-licensing our proprietary technology.

We are to receive minimum royalty payments of $5,000 per month under the License Agreement, commencing on January 15, 2006. Any minimum royalty payments made to us are to be credited towards all other royalties payable by Balsam under the License Agreement.

The License Agreement supersedes a prior licensing agreement (the "Original License Agreement") that we had with Balsam dated June 5, 2002.

PLAN OF OPERATION

Our plan of operations for the next twelve months, subject to our receiving the necessary additional financing, includes the following components:

1. The first phase will be divided into two parts and involves engaging LNE Engineering Co., a third party contractor, to proceed with prototype development and production of samples of our self-chilling beverage container modules. This phase will include the following elements:

Phase 1 Prototype Development		Timeline
Part 1	• Review of past progress.	1 month
	• Development of coils and suppliers for the associated parts.	2 months
	• Development of trigger/valve mechanism.	3 months
	• Development of charging and canning system.	4 months
	• Fabrication of six engineering prototype samples.	5 months
	• Plan, cost and schedule for production of 2,000 industry demonstration samples.	6 months
Part 2	Production of 2,000 industry demonstration samples.	7.5 months

2. The second phase of our plan of operations involves consultation and feedback with all parties involved in the production and handling of our planned self-chilling beverage container. This phase would be undertaken upon completion of phase one, as outlined above. Consultation would include meeting and discussing our progress to date with aluminum can manufacturers, filler manufacturers, beverage canners and recycling entities. The focus of the consultation would be to determine what

auxiliary equipment will be required for production of our planned self-chilling beverage containers and to develop blueprints and estimated costs for full-scale production.

3. The third phase of our plan of operations is to market and pursue licensing of our Cool Can technology. This phase is anticipated to include presentation of product-ready samples to the beverage industry. We would seek out qualified candidates for licensing of the product in various countries and/or territories. We plan to approach beverage manufacturers for joint venture opportunities in order to drive consumer trials and to sample the finished product in the market.

We anticipate spending approximately $690,000 over the next twelve months, of which $380,000 is anticipated to be spent over the next six months, subject to our receiving the necessary financing to enable us to pursue our plan of operations. We will not be able to proceed with our plan of operations unless we achieve significant additional financing. If we achieve sufficient additional financing, of which there is no assurance, then the estimated cost and timeframe for completion of each of the above components of our plan of operations will be as follows:

1. Product development is estimated to be completed over a timeframe of 7.5 months at an estimated cost of $350,000, and is intended to result in the manufacturing of 2,000 industry demonstration samples.

2. Consultation feedback is estimated to take place over a timeframe of three months following completion of phase one at an estimated cost of $50,000.

3. Marketing and licensing will follow phase two and is estimated to take three months at an estimated cost of $50,000.

4. General expenditures over the next twelve months are estimated to be $20,000 per month, consisting of $15,000 per month in general administrative expenses and $5,000 per month in legal and accounting expenses relating to compliance with our reporting obligations.

As at March 31, 2004, we had cash of $327 and a working capital deficit of $220,464. Accordingly, we will require additional financing in order to proceed with our plan of operations, see "Liquidity and Capital Resources" below. If we do not have sufficient funds to pursue our stated plan of operations, then we will scale back our plan of operations to concentrate solely on the product development phase of our plan of operations. In this event, we will pursue product development to the extent of our financial resources.

RESULTS OF OPERATIONS

Revenues

During the nine month period ended March 31, 2004, we recorded revenues of $175,000 compared to revenues of $63,000 during the nine month period ended March 31, 2003. Our revenues during the nine months ended March 31, 2004 are due to our receipt of 5,000,000 restricted shares of Balsam common stock (the "Balsam Shares"), in connection with our grant of the License under the License Agreement during our second quarter.

We have not earned any revenues from sales of our products to date. We do not anticipate earning revenues from the sale of our products until such time as we have completed commercial development of products incorporating our Cool Can technology. We are presently in the development stage of our business and we can provide no assurance that we will be able to complete commercial development or successfully sell or license products incorporating our Cool Can technology once development is complete.

Operating Expenses

Our operating expenses for the nine months ended March 31, 2004 increased to $320,981 compared to $179,265 for the nine months ended March 31, 2003. Our operating expenses for the quarter ended March

31, 2004 increased to $112,462 compared to operating expenses of $81,989 for the quarter ended March 31, 2003. The increase in our operating expenses during the fiscal quarter ended March 31, 2004 and the nine months ended March 31, 2004 was primarily due to the increase in our interest expenses. Our interest expenses consist of the amortization of original issue discount for our 10% convertible notes and quarterly interest owed to holders of our 10% convertible notes. See Note 7 to our interim financial statements for the period ended March 31, 2004 included in this Quarterly Report.

Our operating expenses for the quarterly period ended March 31, 2004 consisted entirely of administrative and development expenses, including the following:

Administrative and Development Expenses	Three Month Period Ended March 31, 2004
Professional Fees:	$19,000
Management Fees:	$15,000
Office Expenses:	$1,500
Consulting Fees:	$15,000
Interest Expense:	$61,000

The increased operating expenses during the quarterly period ended March 31, 2004 were not reflective of increased product development activities during the year. We anticipate that our operating expenses will increase significantly if we are able to obtain the financing necessary to continue with the development of our Cool Can product and related technology in accordance with our plan of operations.

Net Loss

We recorded a net loss of $145,981 for the nine months ended March 31, 2004, compared to net loss of $116,265 for the nine months ended March 31, 2003. We recorded a net loss of $112,462 for the quarter ended March 31, 2004, compared to a net loss of $81,989 for the quarter ended March 31, 2003. Our net loss for the quarter was comprised entirely of operating expenses. The increase in net loss is due primarily to the fact that our interest expenses increased.

LIQUIDITY AND FINANCIAL CONDITION

As at March 31, 2004, we had cash on hand of $327 and a working capital deficit of $220,464, compared to cash on hand of $55,043 and a working capital deficit of $45,227 as at June 30, 2003. Amounts due to stockholders decreased to Nil on March 31, 2004 from $326 on June 30, 2003.

Our current monthly cash requirements are approximately $15,000 per month. Our current cash reserves are only sufficient to enable us to operate for an additional month. In addition, we require approximately $690,000 in order to carry out our plan of operations over the next twelve months. Accordingly, we will immediately require additional financing if we are to continue as a going concern and to finance our business operations. We anticipate that any additional financing would be through the sales of our common stock or other equity-based securities. We are presently in the process of negotiating private placements of securities to raise working capital to finance our operations. However, we do not have any arrangements in place for the sale of any of our securities and there is no assurance that we will be able to raise the additional capital that we require to continue operations. In the event that we are unable to raise additional financing on acceptable terms, we intend to reduce our product development efforts and may implement additional actions to reduce expenditures.

We anticipate that we will continue to incur losses for the foreseeable future as we expect to incur substantial product development, marketing and operating expenses in implementing our plan of operations. Our future financial results are uncertain due to a number of factors, many of which are outside of our control. These factors include, but are not limited to:

- our ability to develop a commercially marketable Cool Can product;
- the success of our planned license agreements for the Cool Can technology that we develop;
- our ability to raise additional capital necessary to implement our business strategy and plan of operation;
- our ability to compete with other chilled beverage container technology; and
- the success of any marketing and promotional campaign which we conduct for our Cool Can product once development is complete.

The financial statements accompanying this quarterly report contemplate our continuation as a going concern. However, we have sustained substantial losses and are still in the development stage. Additional funding will be necessary to continue development and marketing of our product. We intend to arrange for the sale of additional shares of our common stock to obtain additional operating capital for at least the next twelve months. There can be no assurance that we will be able to raise the necessary capital to continue our business.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

RISKS RELATED TO OUR BUSINESS

We May Not Be Able To Continue Our Business As A Going Concern

Our ability to continue as a going concern and realize the carrying value of our assets is dependent upon our ability to obtain additional financing, restructure our debt, streamline our business and reduce our costs. We are currently in the process of identifying sources of additional financing, negotiating changes to our debt structure and evaluating our strategic options. However, there are no assurances that these plans can be accomplished on satisfactory terms, or at all, or that they will provide sufficient cash to fund our operations, pay the principal of, and interest on, our indebtedness, fund our other liquidity needs or permit us to refinance our indebtedness. Our inability to obtain additional financing, restructure our indebtedness, streamline our business or reduce our costs would have a material adverse effect on our financial condition, results of operations and ability to satisfy our obligations, and may result in our pursuing a restructuring of our indebtedness either on a consensual basis or under the provisions of bankruptcy legislation, or liquidating our business and operations. Further, our inability to obtain additional financing or restructure our indebtedness, or our pursuing a restructuring of our indebtedness either on a consensual basis or under the provisions of bankruptcy legislation, may result in our securityholders losing all or a material portion of their investment in our securities.

We Require Additional Financing To Continue Our Plan Of Operations

Our plan of operations calls for significant expenses in connection with the development of our Cool Can product. Our current operating funds are insufficient to complete our plan of operations which will require an estimated $630,000 to be spent over the next 12 months developing and marketing a prototype of our Cool Can product in order to accomplish our goals. As of March 31, 2004, being the date of our most recent financial statements, we had cash in the amount of $327 and a working capital deficit of $220,464. Therefore, we will need to obtain additional financing in order to complete our prototype development. We will also require additional financing if the costs of our Cool Can product development are greater than anticipated. There is no assurance that actual cash requirements will not exceed our estimates. In particular, additional capital may be required in the event that:

- we incur unexpected costs in completing the development of our prototype or encounter any unexpected technical or other difficulties;
- we incur delays and additional expenses as a result of technology failure;
- we are unable to create a substantial market for our products; or
- we incur any significant unanticipated expenses.

The occurrence of any of the aforementioned events could adversely affect our ability to meet our plan of operations.

If we are unable to obtain additional financing in the amounts and on terms deemed acceptable to us, our business and future success may be adversely affected.

Our Product Development Program May Not Be Successful

Once we complete our prototype development there is no assurance that our prototype will work as expected. In the event we successfully develop a prototype, there is no assurance that we will be able to manufacture the prototype at a reasonable cost. Even if we are able to manufacture the prototype at a reasonable cost, there is no assurance that the price of our Cool Can product will not be excessive, precluding the product from generating sufficient consumer or market acceptance.

If We Are Unable To Achieve Market Acceptance For Our Products, We Will Be Unable To Build Our Business

To date, we have entered into only one licensing agreement with respect to our Cool Can proprietary technology. Our success will depend on the acceptance of our Cool Can technology by the beverage industry, as well as by related businesses and the general public. Achieving such acceptance will require significant research and development investment. Our technology generally, and our proposed Cool Can product specifically, may not achieve widespread acceptance by businesses in general, or by major beverage suppliers, beverage manufacturers or agents thereof, which could limit our ability to develop and expand our business. The market for self-chilling beverages is relatively new and is evolving. Our ability to generate revenue in the future depends on the acceptance by both our customers and beverage manufacturers in general. The adoption of our Cool Can product could be hindered by the perceived costs of this new technology to consumers and beverage brand owners. Accordingly, in order to achieve commercial acceptance, we will have to educate prospective customers, including large, established beverage manufacturers, about the uses and benefits of our Cool Can technology. If these efforts fail, or if our Cool Can product does not achieve commercial acceptance, our business could be harmed.

We Have A Limited Operating History

We have a relatively short operating history and we are involved in a rapidly evolving and unpredictable industry. As of March 31, 2004, being the date of our most recent financial statements, we had a working capital deficit of $220,464. We will need to generate significant revenues to achieve profitability, which may not occur. We expect operating expenses to increase as a result of the further implementation of our business plan. Even if we achieve profitability, we may be unable to sustain or increase profitability on a quarterly or annual basis in the future. It is possible that we will never achieve profitability.

ITEM 3. CONTROLS AND PROCEDURES.

As required by Rule 13a-15 under the Exchange Act, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of the quarterly period ended March 31, 2004 covered by this Quarterly Report. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, Mr. Bruce Leitch. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting management to material information relating to us required to be included in our periodic SEC filings. There have been no significant changes in our internal controls or in other factors that could significantly affect internal controls subsequent to the date we carried out our evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

During our quarterly period ended March 31, 2004, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to affect, our internal control over financial reporting.

The term "internal control over financial reporting" is defined as a process designed by, or under the supervision of, the registrant's principal executive and principal financial officers, or persons performing similar functions, and effected by the registrant's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

(1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the registrant;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the registrant are being made only in accordance with authorizations of management and directors of the registrant; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the registrant's assets that could have a material effect on the financial statements.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

None.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS.

There were no unregistered sales of our securities during the quarterly period ended March 31, 2004. There were also no material changes, qualifications, limitations or modifications made to any class of our securities during the quarterly period ended March 31, 2004.

On April 23, 2004, Bruce Leitch, our Chief Executive Officer and Chief Financial Officer, and one of our directors, was issued 20,000,000 shares of our common stock as a result of the partial exercise of his conversion rights with respect to an aggregate of $96,490 in 10% convertible notes (the "Notes") issued to Mr. Leitch on January 6 and February 14 of 2003. The Notes are convertible at the lesser of $0.001 per share or 50% of the average trading price of our common stock for the 10 trading days prior to conversion.

As a result of Mr. Leitch's exercise of his conversion rights with respect to the Notes, we issued a further 178,007 shares of our common stock to Mr. Leitch in satisfaction of our interest obligations under the Notes. The Notes allow us to elect to pay accrued interest by issuing common stock at 70% of the average market price of our common stock for the 10 trading days prior to the interest payment date. Issuance of these shares was made pursuant to Regulation S of the Securities Act, on the basis that Mr. Leitch is not a "U.S. Person" as defined in Regulation S.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There were no matters submitted to our security holders for a vote during the quarterly period ended March 31, 2004.

Subsequent to March 31, 2004, we held a special meeting of our stockholders on June 21, 2004 (the "Meeting") for the purpose of adopting and approving a proposal to reincorporate our company in Nevada by way of a merger (the "Merger") between us and our wholly owned subsidiary, NorPac Technologies, Inc. made pursuant to the terms of an Agreement and Plan of Merger dated May 21, 2004.

At the Meeting, the reincorporation proposal was approved by a majority of our stockholders. The results of the vote taken on the reincorporation proposal were as follows:

For:	25,521,567
Against:	137,788
Abstain:	0

We completed our reincorporation as a Nevada corporation effective July 12, 2004. Upon completion of the Merger, our name was changed to "NorPac Technologies, Inc." We now exist as a Nevada corporation and are governed by the Nevada Revised Statutes. We are no longer a Minnesota corporation.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

EXHIBITS

The following exhibits are either provided with this Quarterly Report or are incorporated herein by reference:

Exhibit Number	Description of Exhibit
3.1	Articles of Incorporation and Bylaws. (1)
3.2	Articles of Merger. (5)
3.3	Bylaws, as amended. (5)
10.1	Sale of Patent Agreement dated as of June 15, 1998 between Cool Can Technologies, Inc. and Edward Halimi. (1)
10.2	Patent and Technology Transfer Agreement dated April 18, 2001 among Cool Can Technologies, Inc., David St. James, Melanie St. James and Edward Halimi. (2)
10.3	Exclusive License Agreement dated June 5, 2002 between Balsam Ventures, Inc. and Cool Can Technologies Inc. (3)
10.4	Form of Convertible Note. (4)
10.5	Form of Subscription Agreement between Cool Can Technologies, Inc. and the Convertible Noteholders.(4)
10.6	Exclusive License Agreement dated for reference November 30, 2003 between Balsam Ventures, Inc. and Cool Can Technologies, Inc. (4)
31.1	Certification of Chief Executive Officer and Chief Financial Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) Filed with the SEC as an exhibit to our registration statement on Form 10-SB originally filed on August 26, 1999, as amended.

(2) Filed with the SEC as an exhibit to our annual report on Form 10-KSB for the year ended June 30, 2001.

(3) Filed with the SEC on June 20, 2002 as an exhibit to our current report on Form 8-K.

(4) Filed with the SEC on January 9, 2004 as an exhibit to our current report on Form 8-K.

(5) Filed with the SEC on July 23, 2004 as an exhibit to our quarterly report on Form 10-QSB for the quarter ended September 30, 2003.

REPORTS ON FORM 8-K

We did not file any Current Reports on Form 8-K during the quarterly period ended March 31, 2004. The following reports on Form 8-K were filed since the quarterly period ended March 31, 2004:

Date of Form 8-K	Date of Filing with the SEC	Description of the Form 8-K
January 8, 2004	January 9, 2004	Disclosure of Exclusive License Agreement dated for reference November 30, 2003.
May 21, 2004	July 8, 2004	Disclosure of Agreement and Plan of Merger dated effective May 21, 2004

SIGNATURES

In accordance with the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NORPAC TECHNOLOGIES, INC.

By: *\/s/ Bruce T. Leitch*

BRUCE T. LEITCH
Chief Executive Officer
and Chief Financial Officer
(Principal Executive Officer,
Principal Financial Officer
and Principal Accounting Officer)

Date: August 10, 2004

CERTIFICATIONS

I, Bruce T. Leitch, the Chief Executive Officer and Chief Financial Officer of NorPac Technologies, Inc. (the "Registrant"), certify that;

(1) I have reviewed this Quarterly Report on Form 10-QSB of the Registrant;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

(4) I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant is made known to me by others within those entities, particularly during the period in which this report is being prepared;

b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

(5) I have disclosed, based on my most recent evaluation of the internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 10, 2004

/s/ Bruce T. Leitch

By: BRUCE T. LEITCH
Title: Chief Executive Officer
and Chief Financial Officer

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Bruce T. Leitch, the Chief Executive Officer and Chief Financial Officer of NorPac Technologies, Inc. (the "Company"), hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(i) the Quarterly Report on Form 10-QSB of the Company, for the fiscal quarter ended March 31, 2004, and to which this certification is attached as Exhibit 32.1 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By:	*/s/ Bruce T. Leitch*
Name:	BRUCE T. LEITCH
Title:	Chief Executive Officer and Chief Financial Officer
Date:	August 10, 2004

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Form 10-QSB to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Form 10-QSB), irrespective of any general incorporation language contained in such filing.