

Exemption No. 82-4003

Concept Wireless Inc.

3863 East Hastings Street, Burnaby, B.C. V5C 2H7

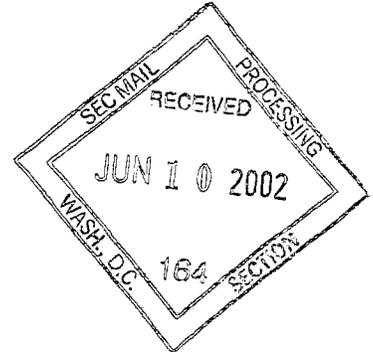
Tel: (604) 325-8197 Fax: (604) 325-8622



May 30, 2002

SUPPL

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549
U.S.A.



Attention: Document Control

Dear Sir or Madam:

Re: Concept Industries Inc. (the "Company") – Exemption No. 82-4003

We enclose herewith the Company's Report for the period ended March 31, 2002.

Yours truly,

CONCEPT WIRELESS INC.

Per:

William Jung
President

PROCESSED

JUN 26 2002

THOMSON
FINANCIAL

Encl.

cc: Standard & Poor's Library
Attention: Corporate Files Manager



British Columbia
Securities Commission

**QUARTERLY AND YEAR END REPORT
BC FORM 51-901F (previously Form 61)**

Freedom of Information and Protection of Privacy Act: The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. Questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), P.O. Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver, BC V7Y 1L2. Toll Free in British Columbia 1-800-373-6393.

INCORPORATED AS PART OF:

Schedule A
 Schedules B and C

ISSUER DETAILS

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
Concept Wireless Inc.	March 31, 2002	02/05/27

ISSUER'S ADDRESS

3863 East Hastings Street

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
Burnaby	BC	V5C 2H7	604-325-8622	604-325-8197
CONTACT PERSON		CONTACT'S POSITION		CONTACT TELEPHONE NO.
William Jung		President		604-325-8197
CONTACT EMAIL ADDRESS			WEB SITE ADDRESS	
info@concept-wireless.com			http://www.concept-wireless.com	

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"William Jung"	William Jung	02/05/27
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Russell Jang"	Russell Jang	02/05/27



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Phone: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

Notice to Reader

We have compiled the balance sheet of Concept Wireless Inc. as at March 31, 2002 and the statements of operations and deficit, and cash flows for the nine months then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

"Manning Elliott"

CHARTERED ACCOUNTANTS

Vancouver, B.C.

May 27, 2002

CONCEPT WIRELESS INC.
CONSOLIDATED BALANCE SHEETS

	March 31 2002 \$ (unaudited)	June 30 2001 \$ (audited) (Restated) (Note 6)
ASSETS		
CURRENT ASSETS		
Cash	12,029	30,007
Accounts receivable	-	2,360
Prepaid expenses and deposits	<u>20,335</u>	<u>19,455</u>
	<u>32,364</u>	<u>51,822</u>
INVESTMENTS (Note 3)	<u>429,903</u>	<u>429,903</u>
	<u><u>462,267</u></u>	<u><u>481,725</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	766,655	643,395
Advances from a director (Note 4)	<u>79,658</u>	<u>50,567</u>
	<u>846,313</u>	<u>693,962</u>
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 5)	4,317,677	4,317,677
DEFICIT	<u>(4,701,723)</u>	<u>(4,529,914)</u>
	<u>(384,046)</u>	<u>(212,237)</u>
	<u><u>462,267</u></u>	<u><u>481,725</u></u>

Approved By The Board

"William Jung" Director

"Russell Jang" Director

CONCEPT WIRELESS INC.**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT**(Unaudited - see Notice to Reader)

	Three Months Ended March 31 2002 \$	Three Months Ended March 31 2001 \$	Nine Months Ended March 31 2002 \$	Nine Months Ended March 31 2001 \$
JOINT VENTURE EARNINGS	-	1,950	-	18,311
ADMINISTRATIVE EXPENSES				
Accounting and audit	2,500	2,500	7,592	7,500
Administration fees	3,000	3,000	9,000	9,000
Advertising and promotion	4,043	15,015	11,711	45,357
Consulting fees	500	2,000	8,950	55,190
Legal	20,000	-	24,000	6,000
Management fees	30,000	30,000	90,000	90,000
Office and miscellaneous	2,004	2,425	7,432	11,322
Transfer agent and filing fees	870	2,877	10,146	26,398
Travel	14,641	46,166	26,648	92,270
	<u>77,558</u>	<u>103,983</u>	<u>195,479</u>	<u>343,037</u>
LOSS BEFORE RECOVERY FROM DISCONTINUED OPERATIONS	(77,558)	(102,033)	(195,479)	(324,726)
RECOVERY FROM DISCONTINUED OPERATIONS (Note 3)	-	-	23,670	-
NET LOSS FOR THE PERIOD	(77,558)	(102,033)	(171,809)	(324,726)
DEFICIT - BEGINNING OF PERIOD	<u>(4,624,165)</u>	<u>(3,869,663)</u>	<u>(4,529,914)</u>	<u>(3,646,970)</u>
DEFICIT - END OF PERIOD	<u>(4,701,723)</u>	<u>(3,971,696)</u>	<u>(4,701,723)</u>	<u>(3,971,696)</u>

CONCEPT WIRELESS INC.**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Unaudited - see Notice to Reader)

	Three Months Ended March 31 2002 \$	Three Months Ended March 31 2001 \$	Nine Months Ended March 31 2002 \$	Nine Months Ended March 31 2001 \$
CASH FROM (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	(77,558)	(102,033)	(171,809)	(324,726)
Item not involving cash				
Amortization	<u>-</u>	<u>10,700</u>	<u>-</u>	<u>32,100</u>
	(77,558)	(91,333)	(171,809)	(292,626)
Change in non-cash working capital items	<u>58,329</u>	<u>(102,648)</u>	<u>153,831</u>	<u>(20,282)</u>
INCREASE (DECREASE) IN CASH DURING THE PERIOD	(19,229)	(193,981)	(17,978)	(312,908)
CASH - BEGINNING OF PERIOD	<u>31,258</u>	<u>321,037</u>	<u>30,007</u>	<u>439,964</u>
CASH - END OF PERIOD	<u>12,029</u>	<u>127,056</u>	<u>12,029</u>	<u>127,056</u>

CONCEPT WIRELESS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2002

(Unaudited - see Notice to Reader)

1. NATURE AND CONTINUANCE OF BUSINESS

The Company is in the telecommunications industry, operating in association with locally domiciled entities in the People's Republic of China.

In addition to normal business risks, the Company is exposed to additional potential risks and contingencies arising from operating in that jurisdiction, including currency and exchange controls and restrictions.

The Company has operated unprofitably since its inception. The continuation of the Company as a going concern is dependent upon its ability to obtain financing and/or the attainment of profitable operations.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern with no determination made as to whether values are recoverable. Accordingly, the financial statements do not purport to give effect to adjustments, if any, which may be appropriate should the Company be unable to continue as a going concern.

2. ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with generally accepted accounting principles in Canada. Because a precise determination of certain assets and liabilities is dependent on future events, the preparation of the financial statements involves the use of estimates based on careful judgement. The financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(a) Presentation

These financial statements include the accounts of the Company's wholly-owned Hong Kong domiciled subsidiary, Concept Telesystems Limited.

(b) Financial instruments

The fair values of cash, accounts receivable, accounts payable and accrued liabilities and advances from a director are equivalent to their carrying value because of the short term maturity of those instruments.

(c) Investment

The contributions to the Contour joint venture (see Note 3) are recorded at cost.

3. INVESTMENTS

(a) In December of 2001, the Company recovered US\$15,000 (\$23,670) from Jinan Puli Electronic Systems Control Engineering Co. Ltd., a 51% interest joint venture in the People's Republic of China that was dissolved in the previous fiscal year.

(b) In March 1995, the Company, through its subsidiary Concept Telesystems Limited, formed a joint venture, Shandong Contour Electronics and Technology Corp. ("Contour") with Shandong Tourism Science and Technology Electronics of the PRC.

Under the agreement, the Company is required to make the following contributions to complete the funding for a 50% interest:

	US\$
Registered capital, due by March 19, 2002	1,312,500
Loans, at prescribed rates	<u>1,187,500</u>
	<u>2,500,000</u>

The Company has been granted an extension indefinitely to facilitate raising the required capital. Until the required contributions are made, the Company will not earn the right to a share of the profits of the joint venture.

CONCEPT WIRELESS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2002
(Unaudited - see Notice to Reader)

3. INVESTMENTS (continued)

Loans to the joint venture will be at rates established by Chinese authorities with repayment upon demand, after the registered capital requirement has been met.

As of March 31, 2002, the Company had remitted US\$300,000 (CAD\$429,903) towards the registered capital required for Contour. While the Company may have the legal right to the return of this contribution in the event that it is unable to contribute the required registered capital, there is no assurance that the joint venture will be able to refund the contribution.

4. RELATED PARTY TRANSACTIONS AND BALANCES

- (a) Included in expenses for the year at their exchange amounts are management fees to a director of \$90,000 (June 30, 2001: \$120,000), and administrative fees to an officer of \$9,000 (June 30, 2001: \$12,000).
- (b) Included in accounts payable is \$648,000 (June 30, 2001: \$558,000) due to the aforementioned director.
- (c) The advances from a director are unsecured, without interest and payable upon demand.

5. CAPITAL STOCK

	Number of Shares	\$
Authorized: 50,000,000 common shares of no par value		
Issued:		
Balance - June 30, 2000	7,663,964	3,417,677
Issued during 2001:		
Private placement - subscription received in 2000	<u>6,000,000</u>	<u>900,000</u>
Balance - June 30, 2001 (audited) and March 31, 2002 (unaudited)	<u>13,663,964</u>	<u>4,317,677</u>

- (a) 526,500 shares are held in escrow subject to release upon approval of regulatory authorities.
- (b) The Company has granted the following share purchase options:
 - 350,000 at \$0.75 per share, expiring June 8, 2002
 - 300,000 at \$0.85 per share, expiring June 8, 2002
 - 100,000 at \$0.50 per share, expiring December 4, 2002
 - 150,000 at \$0.15 per share, expiring September 30, 2004
 - 566,396 at \$0.69 per share, expiring June 8, 2005

6. COMPARATIVE FIGURES

The comparative balance sheet as at June 30, 2001 has been restated to reclassify the contribution to the Contour joint venture, previously included in prepaid expenses and deposits, to investments.



British Columbia
Securities Commission

QUARTERLY AND YEAR END REPORT
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INCORPORATED AS PART OF:

Schedule A

Schedules B and C

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NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
Concept Wireless Inc.	March 31, 2002	02/05/27

ISSUER'S ADDRESS

3863 East Hastings Street

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Burnaby	BC	V5C 2H7	604-325-8622	604-325-8197

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
William Jung	President	604-325-8197

CONTACT EMAIL ADDRESS	WEB SITE ADDRESS
info@concept-wireless.com	http://www.concept-wireless.com

CERTIFICATE

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DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"William Jung"	William Jung	02/05/27

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Russell Jang"	Russell Jang	02/05/27

CONCEPT WIRELESS INC.

MARCH 31, 2002

SCHEDULE B

1) Analysis of expenses and deferred costs:

(a) Analysis of prepaid expenses and deposits:

\$14,335 Deferred legal and incorporation costs of Concept Telesystems Limited.
6,000 Travel advances to director.
\$20,335

Registered capital contribution of \$429,903 that was previously recorded in prepaid expenses and deposits has now been reclassified as an investment on the balance sheet.

2) Related party transactions:

Management fees of \$90,000 have been accrued (not paid).

3) Summary of securities issued and options granted during the period:

There were no securities or options issued during this quarter.

4) Summary of securities as at the end of the reporting period:

(a) Authorized: 50,000,000 common shares of no par value.

(b) Issued:

	No. of Shares	\$
As at June 30, 2000	7,663,964	3,417,677
During fiscal 2001	<u>6,000,000</u>	<u>900,000</u>
As at March 31, 2002	<u>13,663,964</u>	<u>4,317,677</u>

In January 2000, the Canadian Venture Exchange approved a private placement of 6,000,000 special warrants for gross proceeds of \$900,000. Each special warrant will be exchangeable into one common share in the capital of the Company and one common share purchase warrant exercisable for two years. All 6,000,000 special warrants were exchanged for common shares by November 2000.

526,500 principal's shares are held in escrow subject to periodic release upon approval of regulatory authorities.

(c) Options outstanding:

<u>No. of Shares</u>	<u>Price \$</u>	<u>Expiry Date</u>
100,000	0.50	December 4, 2002
300,000	0.85	June 8, 2002
350,000	0.75	June 8, 2002
466,396	0.69	June 8, 2005
150,000	0.15	September 30, 2004

(d) None.

5) Directors and Officers:

M. Ginn Director & Vice-President
R. Jang Director
L. Jung Secretary
W. Jung Director & President

CONCEPT WIRELESS INC.
MARCH 31, 2002
SCHEDULE C - MANAGEMENT DISCUSSION

The Company will maintain its presence in the People's Republic of China ("China") and continue the pursuits of its Chinese projects under a revised business plan.

Puli Paging Joint Venture

As a result of dramatic changes that have occurred during the last two years within the Chinese telecommunications industry, Management has dissolved the Company's 51% interest in its first Chinese paging joint venture ("Puli"), situated in Jinan, capital city of Shandong Province. Prices and service fees in all sectors such as regular telephone services, domestic and international long distance calling (normal or via the Internet), cellular, and paging have dropped significantly. Due to the popularity of cellular telephones, cancellations of existing paging users have far exceeded the opening of new paging accounts and small single license operators such as Puli, which do not have the resources or the diversities, can no longer remain in the market place.

The Company's initial investment and prior retained earnings of \$487,482 were written off in the 2001 fiscal year. The only saleable assets are some inventory and paging equipment and Puli's Chinese partner is currently examining all options regarding their liquidation. The sale of old and used paging equipment is extremely difficult and it is uncertain if any amounts can be salvaged. The winding down of the business such as settling liabilities and collecting receivables is still in process. Meanwhile, in December, of last year, US\$15,000 (C\$23,670) were received from Puli. No further recoveries have been accrued for.

Contour Paging Joint Venture

The Company's second paging joint venture ("Contour") is a 50% interest through its wholly-owned Hong Kong subsidiary, in a joint venture with Shandong Tourism Science and Technology Gen. Corp. ("Tourism"), a subsidiary company of the Shandong Provincial Tourism Bureau. Tourism currently operates paging systems in 13 major cities in Shandong and it is the second largest paging network in the province with a subscriber base that is in excess of 400,000 customers.

For its 50% in Contour, the Company's financial commitment is US\$2.5 million. To date, US\$300,000 has been paid as a deposit towards the share registered capital. However, no portion of the paging operation is recorded in the Company's financial statements, as the Company has no claim to any of the revenues and profits until the entire amount of registered capital is fully contributed. In March of this year, the Company was granted an indefinite extension to fully contribute its share of the registered capital.

Because of severe competition from cellular telephones, paging growth has declined substantially in China. Recognizing the need to diversify, the Company and Tourism in 2000 devised plans to expand from its existing paging business into other areas of telecommunications and the Internet. These plans were subsequently revised in the following year to Global Positioning Satellite ("GPS") based location services, wireless Internet access, wireless cable television and call centre operations.

Due to the transformations within the telecommunications industry and the new directions taken by Tourism, paging will soon cease to be the main core business. Management and Tourism have recently completed the acquisition of a GPS license and are in the process of acquiring additional wireless licenses. As a result, the Company's financial contribution for a 50% interest in the paging operation will be revised and the total financial commitment will also be amended to include the new wireless projects. Details are still under negotiations and the new total investment has not yet been determined. The US\$300,000 that is currently deposited as registered capital for the Contour paging joint venture will be credited towards any new arrangement that is arrived between the Company and Tourism. This amount in Cdn\$429,903 was previously recorded in prepaid expenses and deposits has now been reclassified as an investment on the balance sheet.

Revision of Business Model

During the latter part of 1999, Management and Tourism, in their endeavour to expand the paging operations, entered into an agreement to joint venture with a major Chinese company that held licenses for two-way wireless messaging, ISP services and voice over IP services. In addition, the Company also signed a memorandum with another major Beijing based telecom company to establish a joint venture to develop and operate Internet Data Centers ("IDCs") in China. IDCs are facilities that provide hosting and co-location services including firewall protection, e-commerce applications and disaster recoveries for on-line businesses.

However, due to the collapse of numerous Internet and Dot Com companies and the traumatic downturn for many telecom companies at the end of 2000, a financial institution that was seriously considering funding the expansion plans withdrew its support. Ultimately, management decided not to proceed with the expansion projects and felt it necessary to change the business model in order to enhance securing new financing for the Company.

New Business Model

Management's strategy is to focus within the "wireless" sectors of business that firstly do not entail exorbitant amounts of money for infrastructure development such as an IDC or wireless two-way messaging operation. Secondly, the business or technology should be an emerging one that is on the verge of breaking through and therefore has long term growth. New projects currently under development involve wireless cable television and data services and GPS based location services. For more detailed description of these projects, please refer to news releases announced earlier this year.

Results of Operations

For the nine months ended, the Company incurred a net loss of Cdn\$195,479 as compared to a loss of \$324,726 for the nine months ended of the previous year. As a result of having completed most of the work in establishing new projects and the new direction for the Company during the previous fiscal year, travel expenses, consulting, advertising and promotion, and transfer agent and filing fees were substantially down in the current period as activities in these areas have been curtailed. Management's main objective is to concentrate its effort in securing financing for the projects.

\$90,000 have been accrued to Bill Jung for management fees as President and as the only full time employee of the Company. Mr. Jung is responsible of the entire operation of the Company and some of his duties include: travelling, securing projects, negotiating terms of the projects, meeting and establishing important Chinese contacts, seeking financing, giving presentations, writing business plans and Company material, designing Company brochures, preparing financial statements and filing quarterly and year-end reports, working with the Company's auditor, lawyer and consultants and overseeing the Company's joint venture operations in China. Approval of Mr. Jung's management fees has not yet been filed with the Canadian Venture Exchange and no portion of the management fees has been paid to Mr. Jung during this current period or in the past five fiscal years. In addition to \$648,000 in management fees payable, the Company also has loans payable to Mr. Jung in the amount of \$79,658, an increase of \$29,091 since the beginning of the year. The loans payable are a result of cash advances made to the Company by Mr. Jung. Both management fees and the loans payable are non-interest bearing and non-secured.

At the end of the current period ended, the Company's cash position is about \$12,000. The Company's current monthly burn rate is very low and the largest creditor is one of the directors. Management's first priority is to secure some kind of financing for its projects and for working capital. In the meantime, the directors are committed to keep the Company in good stead by injecting whatever funds are required to sustain the Company.

Future Outlook

Once China enters the WTO; numerous trade and government restrictions will be eliminated. This will heighten many foreign companies' interest in doing business there. The Company has now been involved in China for nine years and management has established solid relationships with key government officials and business personnel. These valuable contacts, and management's experience and understanding of how to do business in China, put the Company in a favourable position to eventually form a strategic partnership with one of these companies.