

ENTHEOS TECHNOLOGIES INC
Form DEF 14A
November 26, 2008

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

Filed by the Registrant T
Filed by a Party other than the Registrant F

Check the appropriate box:

F Preliminary Proxy Statement
 F Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 T Definitive Proxy Statement
 F Definitive Additional Materials
 F Soliciting Material Pursuant to Sec.240.14a-12

ENTHEOS TECHNOLOGIES, INC.

(Name of Registrant As Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

T No fee required
 F Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

2) Aggregate number of securities to which transaction applies:

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

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£ Fee paid previously with preliminary materials.

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

- 1) Amount Previously Paid: _____
- 2) Form, Schedule or Registration Statement No.: _____
- 3) Filing Party: _____
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ENTHEOS TECHNOLOGIES, INC.
888 3rd Street SW, Suite 1000
Calgary, AB T2P 5C5

Telephone: 800-755-5815

November 5, 2008

Dear Stockholders:

You are cordially invited to attend the 2008 Annual Meeting of Stockholders of Entheos Technologies, Inc. The meeting will be held at 11:00 a.m., local time, on December 19, 2008, at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5. Enclosed are the official notice of this meeting, a proxy statement, a form of proxy and the 2007 Annual Report on Form 10-KSB for the year ended December 31, 2007.

At this meeting you will be asked to elect directors to serve until the next annual meeting, ratify the selection of the Company's independent auditors for 2008, amend the Company's Articles of Incorporation to change the name of the Company to Sterling Energy, Inc. and to transact any other business as may properly come up before the meeting.

Please note that attendance at the Annual Meeting will be limited to stockholders of record at the close of business on November 3, 2008, and to guests of the Company.

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

If your shares are held by a broker, bank or other nominee and you plan to attend the meeting, please contact the person responsible for your account regarding your intention to attend the meeting so they will know how you intend to vote your shares at that time. Stockholders who do not expect to attend the Annual Meeting in person may submit their ballot to the Management of the Company at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Derek Cooper
Derek Cooper
President, Chief Executive Officer and Director

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
OF ENTHEOS TECHNOLOGIES, INC. TO BE HELD DECEMBER 19, 2008

To the Stockholders of Entheos Technologies, Inc.:

NOTICE IS HEREBY GIVEN that the 2008 Annual Meeting of Stockholders (the Annual Meeting) of Entheos Technologies, Inc., a Nevada corporation (the Company), will be held at 888 3rd Street SW, Suite 1000, Calgary, Alberta on the 19th day of December, 2008, at 11:00 a.m. (local time) for the following purposes:

1. To elect 3 directors to the Board of Directors to serve until the next Annual Meeting of stockholders or until their respective successors are duly elected and have qualified;
2. To ratify the appointment of Peterson Sullivan, PLLC, as the Company s independent auditor for the fiscal year ending December 31, 2008;
3. To amend the Company s Articles of Incorporation to change the name of the Company to Sterling Energy, Inc.
4. To transact any and all other business that may properly come before the Annual Meeting or any adjournment(s) thereof.

Pursuant to the Company s Bylaws (the Bylaws), the record date (the Record Date) for the determination of stockholders entitled to notice of and to vote at such meeting or any adjournment(s) thereof shall be the close of business on November 3, 2008. Only holders of record of the Company s Common Stock at the close of business on the Record Date are entitled to notice of and to vote at the Annual Meeting. Shares can be voted at the Annual Meeting only if the holder is present or represented by proxy. The stock transfer books will not be closed.

A copy of the Company s 2007 Annual Report to Stockholders, in the form of the 10-KSB filed with the Securities and Exchange Commission, which includes audited financial statements, has been included in this mailing to the Company s stockholders. A list of stockholders entitled to vote at the Annual Meeting will be available for examination at the offices of the Company for ten (10) days prior to the Annual Meeting.

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

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Derek Cooper
Derek Cooper
President, Chief Executive Officer and Director
Calgary, AB
November 5, 2008

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ENTHEOS TECHNOLOGIES, INC.
888 3rd Street SW, Suite 1000
Calgary, AB T2P 5C5

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD DECEMBER 19, 2008

SOLICITATION AND REVOCABILITY OF PROXIES

The accompanying proxy is solicited by the Board of Directors on behalf of Entheos Technologies, Inc., a Nevada corporation (sometimes referred to in this Proxy Statement as the Company, we, our, and us), to be voted at the 2008 Annual Meeting of Stockholders of the Company (the Annual Meeting) to be held on December 19, 2008, at the time and place and for the purposes set forth in the accompanying Notice of Annual Stockholders (the Notice) and at any adjournment(s) thereof. When proxies in the accompanying form are properly executed and received, the shares represented thereby will be voted at the Annual Meeting in accordance with the directions noted thereon; if no direction is indicated, such shares will be voted FOR the election of the nominees listed thereon, FOR the ratification of the independent auditor, FOR amending the Company's Articles of Incorporation to change the name of Company to Sterling Energy, Inc. and in their discretion with respect to any other matters that may properly come before the stockholders at the Annual Meeting.

The executive offices of the Company are located at, and the mailing address of the Company is 888 3rd Street SW, Suite 1000, Calgary, AB. Management does not anticipate that any matters will be presented at the Annual Meeting other than matters set forth in the Notice.

This proxy statement (the Proxy Statement) and accompanying proxy are being mailed on or about November 16, 2008. The Company's Annual Report on Form 10-KSB (the 2007 Annual Report), which serves as the Annual Report to Stockholders, covering the Company's fiscal year ended December 31, 2007, is attached.

Any stockholder of the Company giving a proxy has the right to revoke their proxy at any time prior to the voting thereof by voting in person at the Annual Meeting, by delivering a duly executed proxy bearing a later date or by giving written notice of revocation to the Company addressed to Derek Cooper, President, 888 3rd Street SW, Suite 1000, Calgary, AB, T2P 5C5; no such written notice shall be effective, however, until such notice of revocation has been received by the Company at or prior to the Annual Meeting.

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

The cost of preparing, printing, assembling, and mailing the 2007 Annual Report, the Notice, this Proxy Statement, and the enclosed form of proxy, as well as the cost of forwarding solicitation materials to the beneficial owners of shares of Common Stock and other costs of solicitation, are to be borne by the Company.

QUORUM AND VOTING

The record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting was the close of business on November 3, 2008 (the Record Date). On the Record Date, there were 63,075,122 shares of Common Stock issued and outstanding.

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Each share of Common Stock is entitled to one vote on all matters to be acted upon at the Annual Meeting, and neither the Company's Certificate of Incorporation (the "Certificate of Incorporation") nor its Bylaws allow for cumulative voting rights.

The presence, in person or by proxy, of the holders of a majority of the issued and outstanding Common Stock entitled to vote at the meeting is necessary to constitute a quorum to transact business. If a quorum is not present or represented at the Annual Meeting, the stockholders entitled to vote thereat, present in person or by proxy, may adjourn the Annual Meeting from time to time without notice or other announcement until a quorum is present or represented. Assuming the presence of a quorum, the affirmative vote of a plurality of votes cast is required for the election of each of the nominees for director. A majority of the votes represented and entitled to vote at the Annual Meeting will be required for the approval of all other matters to be voted upon. Abstentions and broker non-votes will each be counted towards the presence of a quorum, but (i) will not be counted as votes cast and, accordingly, will have no effect on the plurality vote required for the election of directors, and (ii) will be counted as votes represented at the Annual Meeting and, accordingly, will have the effect of a vote against all other matters to be acted upon.

Proxies in the accompanying form which are properly executed and returned to the Company will be voted at the Annual Meeting in accordance with the instructions contained in such proxies and, at the discretion of the proxy holders, on such other matters as may properly come before the meeting. Where no such instructions are given, the shares will be voted for the election of each of the nominees for director, the ratification of Peterson Sullivan, PLLC as the independent auditor and for the amendment of the Company's Articles of Incorporation to change the Company's name to Sterling Energy, Inc.

A stockholder that intends to present a proposal at the 2008 Annual Meeting of Stockholders for inclusion in the Company's proxy statement and form of proxy relating to such meeting must submit such proposal by December 1, 2008. The proposal must be mailed to the Company's offices at 888 3rd Street SW, Suite 1000, Calgary, AB.

RIGHT TO REVOKE PROXIES

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted. Proxies may be revoked by:

- filing with the President of the Company, before the polls are closed with respect to the vote, a written notice of revocation bearing a later date than the proxy;
- duly executing a subsequent proxy relating to the same shares of Common Stock and delivering it to the President of the Company; or
- attending the Meeting and voting in person (although attendance at the Meeting will not in and of itself constitute a revocation of a proxy).

Any written notice revoking a proxy should be sent to: 888 3rd Street SW, Suite 1000, Calgary, AB, Attention: Derek Cooper.

SUMMARY

The Company is a small independent oil and gas production company with a focus on participation in producing and re-development/ the recompletion of oil and gas wells. In August 2008, the Company acquired a 21.75% working interest (16.3125% net interest) in the Cooke #6 well located at the Cooke Ranch field in La Salle County, Texas

which has been producing oil and gas from the Escondido formation since 2007. In September 2008, the company acquired a 20.00% working interest (15.00% net interest) in Onnie Ray #1 Well in Lee County, Texas and the Stahl #1 Well in Fayette County, Texas which were subsequently re-entered and are producing gas from the Austin Chalk formation and a 20.00% working interest (15.00% net interest) in the Haile #1 Well in Frio County, Texas which is currently scheduled for re-entry operations.

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Incorporated under the laws of the State of Nevada, the Company has an authorized capital of 200,000,000 shares of \$0.00001 par value common stock, of which 63,075,122 shares are outstanding and 10,000,000 shares of \$0.00001 par value preferred stock, of which none are outstanding.

From 2002 until September 2008, through our wholly-owned subsidiary Email Solutions, Inc., the Company served as an Application Service Provider (ASP) providing reliable, real time, high volume outsourced email and search engine optimization services. Due to the limited success of our ASP business, management decided that it was in the best interest of our stockholders to abandon the Application Service Provider business and focus on identifying undervalued oil and gas opportunities for acquisition, development and exploration.

The Company's 2007 Annual Report, a copy of which is attached, provides a description of our operations during the past year.

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

THE MEETING

Date, Time and Place of the Annual Meeting

The Annual Meeting of Entheos Technologies, Inc. is scheduled to be held on December 19, 2008, at 11:00 a.m. (local time) at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5.

Record Date

Only holders of record of shares of Common Stock at the close of business on November 3, 2008, are entitled to receive notice of and to vote at the Annual Meeting.

Vote Required

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

Accountants

Peterson Sullivan, PLLC has been selected by the Company to act as its independent auditor for 2008. It is not expected that the representatives of Peterson Sullivan, PLLC will attend the Annual Meeting or be available to answer questions from the stockholders.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of November 3, 2008, the beneficial ownership of the Company's Common Stock by each director and executive officer of the Company and each person known by the Company to beneficially own more than 5% of the Company's Common Stock outstanding as of such date and the executive officers and directors of the Company as a group.

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Person or Group	Number of Shares of Common Stock	Percent
Derek Cooper 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	50,000 (1)(2)(3)	0.0%
Christian Hudson 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	50,000 (1)(2)	0.0%
Jeet Sidhu 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	50,000 (1)(2)	0.0%
Frank Fabio 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	50,000 (1)(4)	0.0%
Directors and Executive Officers as a group (4 persons)	200,000	0.0%

(1) 200,000 stock options were granted on September 12, 2008, which may be acquired pursuant to options granted and exercisable under the Company's stock option plans.

(2) Each of Messrs. Cooper, Hudson and Sidhu were appointed to the Company's Board of Directors on September 12, 2008.

(3) Mr. Cooper was appointed the Company's Chief Executive Officer and President on September 12, 2008.

(4) Mr. Fabio was appointed the Company's Chief Financial Officer and Secretary on September 12, 2008

Remuneration and Executive Compensation

The following table shows, for the three-year period ended December 31, 2007, the cash compensation paid by the Company, as well as certain other compensation paid for such year, to the Company's Chief Executive Officer and the Company's other most highly compensated executive officers. Except as set forth on the following table, no executive officer of the Company had a total annual salary and bonus for 2007 that exceeded \$100,000.

Summary Compensation Table

Name and Principal Position	Year	Salary	Bonus	Other	Securities Underlying	All Other Compensation
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					Options Granted	
Harmel S. Rayat (1)	2007	\$ 0	\$ 0	\$ 0	0	\$ 0
President, CEO,	2006	\$ 0	\$ 0	\$ 4,500	0	\$ 0
Chief Financial Officer and Director	2005	\$ 0	\$ 0	\$ 3,600	0	\$ 0
Tim Luu (1)	2007	\$ 0	\$ 0	\$ 3,000	0	\$ 0
Secretary, Treasurer	2006	\$ 0	\$ 0	\$ 3,300	0	\$ 0
Chief Technology Officer and Director	2005	\$ 0	\$ 0	\$ 3,150	0	\$ 0

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(1) Each of Messrs. Rayat and Luu resigned all of their respective positions with the Company on September 12, 2008.

Stock Option Grants in Last Fiscal Year

None.

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

None.

Related Transactions

Management fees: During the year ended December 31, 2007, the Company paid \$1,500 (2006: \$7,800) in management fees to directors.

Accounts Payable: As of December 31, 2007, the Company owed \$23,812 (2006: \$23,812) for outstanding management fees to a former director, which is included in accounts payable - related parties.

Rent: The Company's principal office was located at 1628 West 1st Avenue, Suite 216, Vancouver, British Columbia, Canada, V6J 1G1. These premises were owned by a private corporation controlled by a former Director. The Company paid a monthly rent of C\$700 effective from April 1, 2006. The Company paid rent of \$7,812 (2006: \$5,631) for the year ended December 31, 2007.

All related party transactions are recorded at the exchange amount established and agreed to between related parties and are in the normal course of business.

Employment Contracts

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

Recommendations

THE BOARD OF DIRECTORS OF THE COMPANY UNANIMOUSLY RECOMMENDS THAT THE COMPANY'S STOCKHOLDERS VOTE FOR EACH OF THE NOMINEES FOR DIRECTOR (PROPOSAL 1), VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF PETERSON SULLIVAN, PLLC AS THE COMPANY'S INDEPENDENT AUDITOR FOR THE FISCAL YEAR ENDING DECEMBER 31, 2008 (PROPOSAL 2), AND VOTE FOR AN AMENDMENT TO THE COMPANY'S ARTICLES OF INCORPORATION TO CHANGE THE NAME OF THE COMPANY TO STERLING ENERGY, INC. (PROPOSAL 3).

PROPOSAL NO. 1:

ELECTION OF BOARD MEMBERS

Nominees

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

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Information Concerning Nominees

Name	Age	Position
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