PARAGON POLARIS STRATAGIES COM INC
Form 10KSB/A
June 28, 2002

U.S. Securities and Exchange Commission
Washington, DC 20549

FORM 10 K SB/A

[X] ANNUAL REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2001

Commission File No.333 - 32634

PARAGON POLARIS STRATEGIES.COM INC.

NEVADA	76-0609444
(State or other jurisdiction of incorporation or organization)	(IRS Employer ID Number)

3215 MATHERS AVENUE, WEST VANCOUVER, BC, CANADA V7V 2K6
(Address of principal executive office) (Zip code)

Issuer's telephone number: (604) 913-8355

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

Securities registered under Section 12(g) of the Exchange Act: COMMON STOCK

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 registration was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No____

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10K SB or any amendment to this Form 10K SB. [X]

State issuer's revenues for its most current fiscal year. $-0-

State the aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specific date within the past 60 days. As of December 31, 2001: $ 12,000.

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after distribution of securities under a plan confirmed by a court.
Yes______ No______ Not applicable.

The number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

2,600,000 shares common stock. This Form 10K SB consists of 29 pages.

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FORM 10K SB ANNUAL REPORT

PARAGON POLARIS STRATEGIES.COM INC.

PART I

ITEM 1. DESCRIPTION OF BUSINESS.

General Description of Registrant

PARAGON POLARIS STRATEGIES.COM INC. is a corporation formed under the laws of the State of Nevada on May 27, 1999 whose principal executive offices are located in West Vancouver, British Columbia, Canada.

The primary objective of the business is to market high-quality, low-cost vitamins, minerals, nutritional supplements, and other health and fitness products to medical professionals, alternative health professionals, martial arts studios and instructors, sports and fitness trainers, other health and fitness professionals, school and other fund raising programs and other similar types of customers via the Internet for sale to their clients. Our license covers the distribution rights for Oregon and Idaho. We are in the development stage and have had no revenues.

Narrative Description of Business

On July 1, 1999 Paragon Polaris Strategies.com Inc. received from David R. Mortenson & Associates of Alvin, Texas, the rights to distribute and produce, in the states of Arizona and Nevada, an oxygen enriched water product for fish farming, aquaculture, mariculture, poultry raising, and for treating animal waste from dairies, feedlots of all kinds, and for other similar uses. These production and distribution rights were received from Mortenson in exchange for 2,000,000 shares of common stock. Mortenson acquired these rights from the inventors of the product, N. W. Technologies, Inc. under a distribution agreement. Several months later the contract granting David R. Mortenson & Associates rights to the technology was withdrawn. Mortenson sued N.W. Technologies Inc. in Harris County Court, Houston Texas.

To compensate for the possibility that we could lose our principal asset and the obvious delay that this dispute and court action has caused, David R. Mortenson & Associates agreed to suspend all financial requirements that are due or will be due in the future until the dispute with NW is resolved. They have also agreed to grant an alternative license to Paragon Polaris Strategies.Com Inc. for the distribution of vitamin and herbal supplements for the Oregon and Idaho. This license will enable us to create a business plan and start the process of getting into business.

The License.

Paragon Polaris Strategies.Com Inc. has a three year license to market and sell vitamins, minerals, nutritional supplements, and other health and fitness products to medical professionals, alternative health professionals, martial arts studios and instructors, sports and fitness trainers, other health and fitness professionals, school and other fund raising programs and other similar types of customers. All of these individuals and organizations will order their products via the Internet for sale to their clients. The license will be automatically renewed unless Paragon or Vitamineralherb.com gives the other notice of its intent not to renew.

Vitamineralherb.com Inc. is a Nevada corporation formed on April 2,1999. It is a privately held company that was formed specifically to act as a clearing facility that would distribute health and nutrition products through distributors in exclusive, defined territories. The President of Vitamineralherb.com is David R. Mortenson.

On July 10, 2001, Vitamineralherb.com entered into a manufacturing agreement with Alta Natural Herbs and Supplements Ltd., a publicly held nutraceuticals manufacturing firm, located in Richmond, British Columbia, Canada listed on the Canadian Venture Exchange under the symbol AHS. Alta Natural Herbs and Supplements Ltd. has been a contract manufacturer of vitamin, mineral, nutritional supplement, and alternative health products for various marketing organizations for approximately eight years. Alta Natural Herbs and Supplements Ltd. incurred a net loss of $270,566 for the six month period ended April 30, 2001 and incurred a loss of $244,536 over the same six month period in 2000. Alta Natural Herbs and Supplements Ltd. has never operated at a profit since its inception in 1993.

As of April 30, 2001, Alta Natural Herbs and Supplements Ltd. had total assets of $1,019,204 and current assets of $590,797, total liabilities and current liabilities of $309,432 and a net worth of $709,672.
In addition to a line of standard products, Alta Natural Herbs and Supplements Ltd. is able to manufacture custom blended products for customers. Alta Natural Herbs and Supplements Ltd. also has the capability to supply privately labeled products for Paragon/Polaris Inc. customers at a minimal added cost. Vitamineralherb.com has just begun developing its vitamin marketing and distributorship business.

As a licensee of Vitamineralherb.com, Paragon Polaris Strategies.Com Inc. eliminates the need to develop products, store inventory, build and maintain a website, establish banking liaisons, and develop a fulfillment system, thereby enabling us to focus strictly on marketing and sales. We plan to target health and fitness professionals in Idaho and Oregon who wish to offer health and fitness products to their customers.

Paragon Polaris (and its customers) will have access to all products offered on the Vitamineralherb.com website, as well as the ability to order custom-formulated and custom-labeled products. Vitamineralherb.com sets the price for products based on the manufacturer's price, plus a markup which provides a 10% commission to Vitamineralherb.com and a profit for Paragon Polaris Strategies.Com Inc.

Three different labeling options are available to customers:

- products may be ordered with the manufacturer's standard label with no customization.
- the fitness or health professional may customize the labels by adding its name, address, and phone number to the standard label. In most cases, these labels would be a standardized label with product information and a place on the label for the wording "Distributed by." This gives these health and fitness professionals a competitive edge.
- labels may be completely customized for the health or fitness professional.

When a fitness or health professional becomes a client, Paragon Polaris Strategies.Com Inc.'s salesperson will show the client how to access the Vitamineralherb.com website. The client is assigned an identification number that identifies it by territory, salesperson, and business name, address, and other pertinent information. The health or fitness professional may then order the products it desires directly through the Vitamineralherb.com website, paying for the purchase with a credit card, electronic check ("e-check"), or debit card. All products will be shipped by the manufacturer directly to the professional or its clients.

We are not obliged to purchase and maintain a large inventory, an order desk or shipping department. This method of doing business, which only a short time ago would be unthinkable is now a preferred way of shopping (whether wholesale or retail) for a large segment of the population of North America.

The website is maintained by Vitamineralherb.com and each licensee pays an annual website maintenance fee of $500. All financial transactions will be handled by Vitamineralherb.com's Internet clearing bank. The Vitamineralherb.com webmaster will download e-mail orders several times a day, check with the clearing bank for payment and then submit the product order and electronic payment to Alta Natural Herbs and Supplements Ltd. Vitamineralherb.com then forwards the money due

Paragon Polaris. via electronic funds transfer.

Vitamineralherb.com's software tracks all sales through the customer's identification number, and at month end, e-mails to Paragon Polaris Strategies.Com Inc. a detailed report including sales commissions. Vitamineralherb.com has indicated that it will use e-commerce advertising such as banner ads on major servers and websites, as well as attempting to insure that all major search engines pick Vitamineralherb.com first. All sales originating from the website to customers located in Oregon or Idaho will automatically be assigned to Paragon Polaris Strategies.Com Inc.

Implementation of the business plan.

Our business plan is to sell Vitamineralherb.com products to targeted markets. Unless considerable capital is available we will not be able to fully implement the business plan shown in the milestones below. investment may become worthless. Paragon Polaris Strategies.Com Inc. shall employ salespeople to call on medical professionals, alternative health professionals, martial arts studios and instructors, sports and fitness trainers, other health and fitness professionals, school and other fund raising programs and other similar types of customers to interest these professionals in selling to their clients high-quality, low-cost vitamins, minerals, nutritional supplements, and other health and fitness products. These professionals would sell the products to their clients and order them through the Internet.

Milestones:

1. Establishment of an office. One administration office is planned for the whole territory. Sales people would office in their own homes. The one office that we would establish would act as a coordinating and business office, looking after sales support, bookkeeping and payroll. We estimate that office space will cost in the neighborhood of $26 per square foot including taxes and insurance. We estimate that we will require about 1,000 square feet initially. We will be unable to obtain this milestone unless we are able to sell at least half of the common shares offered by us in this offering. If we are unable to raise sufficient funds for office space, we will consider other options such as having sales persons operating out of their homes, but we currently have no contingency plan for this.

2. Recruiting of sales people. We estimate that we will require two sales people to cover Oregon and Idaho; one headquartered in the city of Portland covering the western, most populous area of Oregon and the other in Boise or Twin Falls to cover eastern Oregon and Idaho . Sales people will be provided with a basic draw against commissions of $1,000 per month. Potential customers in rural Idaho and Oregon with their hundreds of small towns and villages will be pre-qualified by telephone and then paid a sales call. Cost of recruiting is estimated at $3,000. The sale of at least 500,000 common shares by us would raise approximately enough money to obtain this milestone.

3. Advertising. We envision advertising of our products and services as a very low-keyed approach. We believe that direct mail is the best and most cost effective method of reaching our potential clients. Due to the fact that we are targeting a fairly narrow segment of the population as potential retailers, a well-designed mail piece and cover letter with follow up by telephone should be adequate to introduce us to our potential clients. Design and production of a mailing piece is estimated at $7,000. If we are unable to sell the 1,000,000 common shares offered by us in this offering we would be unable to meet any

advertising costs.

4. Generation of Revenues. Management of Paragon Polaris believes that a planned, slow-but-steady growth pattern will serve the organization in the best fashion. By keeping costs low and concentrating first on the major centers, we believe that we can generate revenues in a fairly short time but there can be no assurance of this. We hope that each initial order will provide a comparatively large purchase by the retailer. After that the distributors will order product as they require it. We hope that the initial surge of orders will provide enough cash flow to keep from using our working capital too rapidly and that we will be able to reach a break-even point or a small profit position before our capital is used up.

If sufficient capital is not available to accomplish those things we will have to obtain additional financing through an additional offering, private or public, bank borrowing or through capital contributions by current shareholders. No commitments to provide additional funds have been made by management or shareholders. You cannot be sure that any additional funds will be available on terms acceptable to Paragon Polaris Strategies.Com Inc. or at all. We expect to begin earning revenues shortly after a sales force is in place but there can be no assurance of this.

The vitamin, supplement, mineral and alternative health product market

In recent years, a growing awareness of vitamins, herbs, and other dietary supplements by the general public has created a whole new segment in the field of medicine and health care products. According to Jupiter Communications, online sales of such products are expected to be $434 million in the year 2003, up from $1 million in 1998. Paragon Polaris believes that several factors are driving this growth, including a rapidly growing segment of the population that is concerned with aging and disease. There is also a growing interest in preventative health care, favorable consumer attitudes toward alternative health products and a favorable regulatory statute, the Dietary Supplement Health and Education Act of 1994.

The electronic commerce industry is new, rapidly evolving and intensely competitive, and Paragon Polaris expects competition to intensify in the future. Barriers to entry are minimal and current and new competitors can launch sites at a relatively low cost. In addition, the vitamin supplement, mineral and alternative health product market is very competitive and highly fragmented, with no clear dominant leader and increasing public and commercial attention.

Our competitors can be divided into several groups including:

- traditional vitamins, supplements, minerals and alternative health products retailers;
- the online retail initiatives of several traditional vitamins, supplements, minerals and alternative health products retailers;
- online retailers of pharmaceutical and other health-related products that also carry vitamins, supplements, minerals and alternative health products;
- independent online retailers specializing in vitamins, supplements, minerals and alternative health products;
- mail-order and catalog retailers of vitamins, supplements, minerals and alternative health products, some of which have already developed online retail outlets; and
- direct sales organizations, retail drugstore chains, health food

store merchants, mass market retail chains and various manufacturers of alternative health products.

Many of our potential competitors have longer operating histories, larger customer or user base, greater brand recognition and significantly greater financial, marketing and other resources than we have. Even if we sell all of the 1,000,000 common shares being offered by us in this offering, we would only have a maximum of $50,000 in working capital and therefore would probably continue at a competitive advantage with respect to established companies. In addition, an online retailer may be acquired by, receive investments from, or enter into other commercial relationships with, larger, well-established and well-financed companies as use of the Internet and other electronic services increases.

Competitors have and may continue to have aggressive pricing policies and devote substantially more resources to website and systems development than Paragon Polaris does. Increased competition may result in reduced operating margins and loss of market share.

We believe that the principal competitive factors in its market are:

- ability to attract and retain customers;
- variety of product selection;
- product pricing;
- ability to customize products and labeling;
- quality and responsiveness of customer service.

We believe that we can compete favorably on these points. However, we will have no control over how successful our competitors are in addressing these factors. In addition Paragon Polaris online competitors can duplicate many of the products or services offered on the VitaMineralHerb.com site.

We believe that traditional retailers of vitamins, supplements, minerals and other alternative health products face several challenges in succeeding.

- Lack of convenience and personalized service. Traditional retailers have limited store hours and locations. Traditional retailers are also unable to provide consumers with product advice tailored to their particular situation.
- Limited product assortment. The capital and real estate intensive nature of store-based retailers limit the product selection that can be economically offered in each store location.
- Lack of customer loyalty. Although the larger traditional retailers often attract customers, many of these customers are only one-time users. People are often attracted to the name brands, but find the products too expensive.
- the multilevel structure of some marketing organizations mandates high prices.

As a result we believe there is significant unmet demand for a shopping channel like that of VitaMineralHerb.com that can provide consumers of vitamins, supplements, minerals and other alternative health products with a broad array of products and a convenient and private shopping experience.

We hope to attract and retain consumers through the following key attributes of our business:

- Broad Expandable Product Assortment. Paragon Polaris product selection is substantially larger than that offered by store-based retailers.

- Low Product Prices. Product prices can be kept low due to volume purchases through Paragon Polaris's affiliation with VitaMineralHerb.com and other licensees. Having no inventory, warehouse space and the need for limited administration will also make our prices lower. All products are shipped from Alta Natural herbs & Supplements Ltd. inventory.
- Accessibility to Customized Products. At minimal cost, health and fitness practitioners may offer their customers customized products.
- Access to Personalized Programs. Health or fitness professional can tailor vitamin and dietary supplement regimes to their clients.

Regulatory Environment

The manufacturing, processing, formulating, packaging, labeling and advertising of the products Paragon Polaris sells will be subject to regulation by one or more U.S. federal agencies, including the Food and Drug Administration, the Federal Trade Commission, the United States Department of Agriculture and the Environmental Protection Agency. These activities also may be regulated by various agencies of the states, localities and foreign countries in which consumers reside.

The Food and Drug Administration, in particular, regulates the formulation, manufacture, labeling and distribution of foods, including dietary supplements, cosmetics and over-the- counter or homeopathic drugs. Under the Federal Food, Drug, and Cosmetic Act, the Food and Drug Administration may undertake enforcement actions against companies marketing unapproved drugs, or "adulterated" or "misbranded" products. The remedies available to the Food and Drug Administration include: criminal prosecution; an injunction to stop the sale of a company's products; seizure of products; adverse publicity; and "voluntary" recalls and labeling changes.

Food and Drug Administration regulations require that certain informational labeling be presented in a prescribed manner on all foods, drugs, dietary supplements and cosmetics. Specifically, the Food, Drug, and Cosmetic Act requires that food, including dietary supplements, drugs and cosmetics, not be "misbranded". A product may be deemed an unapproved drug and "misbranded" if it bears improper claims or improper labeling.

The Food and Drug Administration has indicated that promotional statements made about dietary supplements on a company's website may constitute "labeling" for purposes of compliance with the provisions of the Food, Drug, and Cosmetic Act. A manufacturer or distributor of dietary supplements must notify the Food and Drug Administration when it markets a product with labeling claims that the product has an affect on the structure or function of the body. Noncompliance with the Food, Drug, and Cosmetic Act, and recently enacted amendments to that Act discussed below, could result in enforcement action by the Food and Drug Administration.

The Food, Drug, and Cosmetic Act has been amended several times with respect to dietary supplements, most recently by the Nutrition Labeling and Education Act of 1990 and the Dietary Supplement Health and Education Act of 1994. The Dietary Supplement Health and Education Act created a new statutory framework governing the definition, regulation and labeling of dietary supplements.

With respect to definition, the Dietary Supplement Health and Education Act created a new class of dietary supplements, consisting of vitamins, minerals, herbs, amino acids and other dietary substances for human use to supplement the diet, as well as concentrates, metabolites, extracts or combinations of such dietary ingredients.

Generally, under the Dietary Supplement Health and Education Act, dietary ingredients that were on the market before October 15, 1994 may be sold without Food and Drug Administration pre-approval and without notifying the Food and Drug Administration. In contrast, a new dietary ingredient, i.e., one not on the market before October 15, 1994, requires proof that it has been used as an article of food without being chemically altered or evidence of a history of use or other evidence of safety establishing that it is reasonably expected to be safe.

Retailers, in addition to dietary supplement manufacturers, are responsible for ensuring that the products they market for sale comply with these regulations. Noncompliance could result in enforcement action by the Food and Drug Administration, an injunction prohibiting the sale of products deemed to be non-compliant, the seizure of such products and criminal prosecution.

The Food and Drug Administration has indicated that claims or statements made on a company's website about dietary supplements may constitute "labeling" and thus be subject to regulation by the Food and Drug Administration. With respect to labeling, the Dietary Supplement Health and Education Act amends, for dietary supplements, the Nutrition Labeling and Education Act by providing that "statements of nutritional support" also referred to as "structure/function claims" may be used in dietary supplement labeling without Food and Drug Administration pre-approval, provided certain requirements are met.

These statements may describe how particular dietary ingredients affect the structure or function of the body, or how a dietary ingredient may affect body structure or function, but may not state a drug claim. Here is an example: a claim that a dietary supplement will diagnose, mitigate, treat, cure or prevent a disease. A company making a "statement of nutritional support" must possess substantiating evidence for the statement, disclose on the label that the Food and Drug Administration has not reviewed the statement and that the product is not intended for use for a disease and notify the Food and Drug Administration of the statement within 30 days after its initial use.

It is possible that the statements presented in connection with product descriptions on VitaMineralHerb.com site may be determined by the Food and Drug Administration to be drug claims rather than acceptable statements of nutritional support. In addition, some of our suppliers may incorporate objectionable statements directly in their product names or on their products' labels, or otherwise fail to comply with applicable manufacturing, labeling and registration requirements for over-the-counter or homeopathic drugs or dietary supplements. As a result, VitaMineralHerb.com may have to remove some statements or products from its site or modify these statements, names or labels, in order to comply with Food and Drug Administration regulations. Such changes could interfere with Paragon Polaris marketing of products and could cause us to incur significant additional expenses such as for repackaging and reformulation.

In addition, the Dietary Supplement Health and Education Act allows the dissemination of "third party literature" in connection with the sale of dietary supplements to consumers at retail if the publication meets statutory requirements. Under the Dietary Supplement Health and Education Act, "third party literature" may be distributed if, among other things, it is not false or misleading, no particular manufacturer or brand of dietary supplement is promoted, a balanced view of available scientific information on the subject matter is presented and there is physical separation from dietary supplements in stores.

The extent to which this provision may be used by online retailers is not yet clear, and we cannot assure you that all pieces of "third party literature" that may be put out in connection with the products Paragon Polaris offers for sale will be determined to be lawful by the Food and Drug Administration. Any such failure could make that product an unapproved drug or a "misbranded" product, and may be exposing us to enforcement action by the Food and Drug Administration. This could require the removal of the non-compliant literature from the VitaMineralHerb.com website or the modification of Paragon Polaris selling methods. This could interfere with the marketing of that product and cause us to incur significant additional expenses.

Given the fact that the Dietary Supplement Health and Education Act was enacted only five years ago, the Food and Drug Administration's regulatory policy and enforcement positions on certain aspects of the new law are still evolving. Moreover, ongoing and future litigation between dietary supplement companies and the Food and Drug Administration will likely further refine the legal interpretations of that Act. As a result, the regulatory status of certain types of dietary supplement products, as well as the nature and extent of permissible claims will remain unclear for the foreseeable future.

Two areas in particular that pose potential regulatory risks are the limits on claims implying some benefit or relationship with a disease or related condition and the application of the physical separation requirement for "third party literature" as applied to Internet sales.

In addition to the regulatory situation under the Food, Drug and Cosmetic Act, the advertising and promotion of dietary supplements, foods, over-the-counter drugs and cosmetics is subject to scrutiny by the Federal Trade Commission. The Federal Trade Commission Act prohibits "unfair or deceptive" advertising or marketing practices, and it has pursued numerous food and dietary supplement manufacturers and retailers for deceptive advertising or failure to substantiate promotional claims, including, in many instances, claims made via the Internet.

The Federal Trade Commission has the power to seek administrative or judicial relief prohibiting a wide variety of claims, to enjoin future advertising, to seek redress or restitution payments and to seek a consent order and seek monetary penalties for the violation of a consent order. In general, existing laws and regulations apply fully to transactions and other activity on the Internet. The Federal Trade Commission is in the process of reviewing its policies regarding the applicability of its rules and its consumer protection guides to the Internet and other electronic media.

The Federal Trade Commission has already undertaken a new monitoring and enforcement initiative, "Operation Cure-All" targeting allegedly bogus health claims for products and treatments offered for sale on the Internet. Many states impose their own labeling or safety requirements that differ from or add to existing federal requirements.

Paragon Polaris cannot predict the nature of any future laws, regulations, interpretations or applications, nor can it say what effect additional governmental regulations or administrative orders would have on its business in the future. Although the regulation of dietary supplements is less restrictive than that of drugs and food additives, we cannot be sure that the current laws and regulations concerning dietary supplements will remain less restrictive.

The manufacturing, processing, formulating, packaging, labeling and advertising of the products Paragon Polaris sells may also be subject to regulation by one or more U.S. federal agencies, including the Food and Drug Administration, the Federal Trade Commission, the United States Department of Agriculture and the Environmental Protection Agency. These activities also may be regulated by various agencies of the states, localities and foreign countries in which consumers reside.

Regulation of the Internet.

In general, existing laws and regulations apply to the Internet. The exact manner in which these laws and regulations affect the Internet is sometimes uncertain. Most of these laws were adopted prior to the Internet and do not address the unique issues of the Internet or electronic commerce.

Numerous federal and state government agencies have already demonstrated significant activity in promoting consumer protection on the Internet. Due to the increasing use of the Internet as a medium for commerce and communication, it is possible that new laws and regulations could be passed. These new laws and regulations could cover issues such as user privacy, freedom of expression, advertising, pricing, content and quality of products and services, taxation, intellectual property rights and information security. The adoption of such laws or regulations and the way existing laws and regulations apply to the Internet may slow the growth of Internet use and result in a decline in Paragon Polaris sales.

A number of legislative proposals have been made at the federal, state and local level, and by foreign governments, that would impose additional taxes on the sale of goods and services over the Internet, and some states have taken measures to tax Internet-related activities. Although Congress recently placed a three-year moratorium on new state and local taxes on Internet access or on discriminatory taxes on electronic commerce, existing state or local laws were expressly excepted from this moratorium. Once this moratorium is lifted, some type of federal and/or state taxes may be imposed upon Internet commerce. Such legislation or other attempts at regulating commerce over the Internet may substantially affect growth and have a negative affect on our business.

Employees

Paragon Polaris is a development stage company and currently has no employees. Paragon Polaris is currently managed by Robert Foo and Samuel Lau, its officers and directors. We look to them for their management and financial skills and talents. Management plans to use consultants, attorneys and accountants as necessary and does not plan to engage any full-time employees in the near future other than sales people to set up accounts.

Item 2. Description Of Property

Paragon Polaris Strategies.Com Inc. maintains a mailing address at the office of one of its shareholders, but otherwise does not maintain an office. We pay no rent and own no real estate.

Item 3. Legal Proceedings

There are no legal proceedings in which the Company is involved.

Item 4. Submissions of Matters to a Vote of Security Holders

There have been no matters submitted to a vote of the security holders during the fourth quarter of the fiscal year ended December 31, 2001.

PART II

Item 5. Market for Common Equity and Related Stockholder Matters

Paragon Polaris Strategies.Com Inc. is a development stage company that is still in the beginning stages of implementing its business plan. No market currently exists for the common stock. Upon completion of all or part of the offering of common shares contained in the registration statement currently underway, it is the intention of the Company to apply for a trading symbol and a listing to have its shares quoted on the Over-the-Counter Bulletin Board. There can be no assurance that any part of this offering will be subscribed to and if all or part of the offering is subscribed to, that the request of Paragon Polaris Strategies.Com Inc. to have the price of its stock quoted on the Over-the-Counter Bulletin Board will be granted.

We have approximately 23 shareholders as of December 31, 2001.

Paragon Polaris Strategies.com Inc. has paid no dividends to date and management does not anticipate the declaring of dividends in the foreseeable future.

On May 28, 1999, Paragon Polaris issued 500,000 shares of common stock to J. P. Beehner and Dorothy Mortenson, our original officers and directors, as founders' shares in return for the time, effort and expenditures to organize and form the corporation. These shares were issued pursuant to Section 4(2) of the Securities Act of 1933. On June 18, 1999 Paragon Polaris issued 200,000 shares of common stock each to ten individuals: David R. Mortenson, Roy Donovan Hinton, Jr., Marie M. Charles, George R. Quan, Marsha Quan, Darren Quan, C.E. Kaiser, James R. Collins, Jock R. Collins and Laurent R. Barbadaux - for a total of 2,000,000 shares in return for the water treatment rights for the state of Pennsylvania and the development of the business plan. These shares were issued pursuant to Section 4(2) of the Securities Act of 1933. All of the shares described in this paragraph were issued to a small number of sophisticated or accredited investors who were active in our business and had thorough knowledge concerning us. All issued shares bear a restrictive legend and were sold pursuant to a letter of intent.

On January 17, 2000 the 500,000 founders' shares of common stock were purchased by our present officers and directors. This purchase was made in reliance upon Section 4(1) of the Securities Act of 1933 in that the sale was made to our present officers and directors who are sophisticated and accredited investors and who had complete access to all information concerning us. All issued shares bear a restrictive legend and were sold pursuant to a letter of intent.

On May 15, 2000 Paragon Polaris issued 100,000 shares of common stock for cash at a price of $0.12 per share for an aggregate of $12,000 to Sandringham Investments Limited. These shares were issued pursuant to

Section 4(2) of the Securities Act of 1933. Sandringham is a sophisticated and accredited investor that is active in business and had thorough knowledge concerning us. All issued shares bear a restrictive legend and were sold pursuant to a letter of intent. In addition, these shares were also sold in reliance upon the exemption in Regulation S, since the investor is a resident of Canada who purchased its securities subject to the restrictions of Rule 144.

Rule 144 Shares

Of the shares issued and described above, 2,350,000 shares are available to be sold to the public in accordance with the volume and trading limitations of Rule 144. In general, under Rule 144, as currently in effect, a person who has beneficially owned shares of a company's common stock for at least one year is entitled to sell within any three month period a number of shares that does not exceed the greater of:

1. 1% of the number of shares of the company's common stock then outstanding which, in our case, will equal approximately 23,500 shares as of the date of this report; or

2. the average weekly trading volume of the company's common stock during the four calendar weeks preceding the filing of a notice on form 144 with respect to the sale.

Sales under Rule 144 are also subject to manner of sale provisions and notice requirements and to the availability of current public information about the company.

Under Rule 144(k), a person who is not one of the company's affiliates at any time during the three months preceding a sale, and who has beneficially owned the shares proposed to be sold for at least two years, is entitled to sell shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144.

As of the date of this report, persons who are our affiliates hold 500,000 of the 2,350,000 shares that may be sold pursuant to Rule 144.

Item 6. Management Discussion and Analysis or Plan of Operation

Upon the completion of all or part of the sale of shares contained in the current offering we intend to proceed as quickly as possible to hire one or more sales representatives to present its service to potential customers. Geography is an obstacle that must be dealt with. Our territory is very large, making adequate coverage by one salesperson virtually impossible. A minimum of two representatives will be necessary. After opening accounts, these representatives will be necessary to service existing customers. Research has indicated that this servicing or detailing of already established accounts results in larger increases in reorders of product.

Estimated expenses for the next twelve months are as follows:

Two sales persons (draw against commissions)

@ $1000 per month*	$24,000
Administration	$14,000
Employee benefits	$ 16,000
Office rent	$ 12,000

Office supplies (including furniture)	$ 10,000
Development stage costs (including recruiting costs)	$ 1,000
Website maintenance	$ 500
Contingency (10%)	$ 8,750
Total first year expenses	$ 78,250

If the maximum proposed offering proceeds are not received, operations would be scaled down. One sales person would be hired instead of two; administration would be handled by an officer and director at no cost. The same officer and director would supply office space during the start-up process. Growth would be much slower and we would not be able to rent office space and hire administrative help until sales volumes and gross profits were large enough. If less than half of our anticipated net proceeds are received from this offering, management would be forced to decide whether or not to proceed with the business and either delay starting or cancel the project completely.

In the event we only sell 250,000 of our common shares we would only be able to pay our attorneys, accountants, electronic filing and printing expenses. The remaining funds that could be allocated for start up costs would be totally inadequate and we would not have any funds for hiring personnel. Management would be forced to seek other avenues to implement our business plan.

Item 7. Financial Statements

Audited financial statements for the year ended December 31, 2001 follow.

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

AUDIT REPORT

DECEMBER 31, 2001

Janet Loss, C.P.A., P.C.
Certified Public Accountant
1780 South Bellaire, Suite 500
Denver, Colorado 80222

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

INDEX TO FINANCIAL STATEMENTS

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Janet Loss, C.P.A., P.C.
Certified Public Accountant
1780 South Bellaire, Suite 500
Denver, Colorado 80210
(303) 782-0878

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Paragon Polaris Strategies.Com Inc.
3215 Mathers Avenue
West Vancouver, BC V7V 2K6
Canada

I have audited the accompanying Balance Sheet of Paragon Polaris Strategies.Com Inc. (A development stage enterprise) as of December 31, 2001 and 2000; the Statements of Operations and Cash Flows for the years ended December 31, 2001 and 2000 and the Statement of Stockholders' Equity for the period May 27, 1999 (Inception) through December 31, 2001. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, The Financial Statements referred to above present fairly, in all material respects, the financial position of Paragon Polaris Strategies.Com Inc. (a development stage enterprise) as of December 31, 2001 and 2000; the results of its operations and changes in its cash flows for the years ended December 31, 2001 and 2000 and the Statement of Stockholders' Equity for the Period from May 27, 1999 (Inception) through December 31, 2001in conformity with generally accepted accounting principles.

Janet Loss, C.P.A., P.C.
March 26, 2002

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

BALANCE SHEETS
AS AT DECEMBER 31, 2001 AND 2000

	2001	2000
ASSETS		
CURRENT ASSETS:		
CASH	$ 0	$ 0
TOTAL CURRENT ASSETS	0	0
TOTAL ASSETS	0	0

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:	7,500	0
STOCKHOLDERS' EQUITY:		
COMMON STOCK, $0.001 PAR VALUE; 25,000,000 SHARES AUTHORIZED AND 2,600,000 AND 2,500,00 SHARES ISSUED AND OUTSTANDING	2,600	2,600
ADDITIONAL PAID-IN CAPITAL	12,055	12,055
DEEMED DIVIDEND RE: LICESNSE RIGHTS	(2,000)	(2,000)
(DEFICIT) ACCUMULATED DURING THE DEVELOPMENT STAGE	(20,155)	(12,655)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	7,500	0
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 0	$ 0

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000
AND FOR THE PERIOD MAY 27, 1999 (INCEPTION)
THROUGH DECEMBER 31, 2001

		INCEPTION TO	
	DEC. 31, 2001	DEC.31, 2000	DEC.31, 2001
REVENUES:	$ 0	$ 0	$ 0
OPERATING EXPENSES:			
PROFESSIONAL FEES	0	8,431	9,836
TAXES AND LICENSES	1,200	320	1,650
OFFICE EXPENSES	6,300	2,049	8,669
TOTAL OPERATING EXPENSES	7,500	10,800	20,155
NET (LOSS) FOR THE PERIOD	$ (7,500)	$ (10,800)	$ (20,155)
NET (LOSS) PER SHARE	$ (0.00)	$ (0.00)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	2600000	2553000	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE PERIOD MAY 27, 1999 (INCEPTION)
THROUGH DECEMBER 31, 2001

	COMMON STOCK NUMBER OF SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID IN CAPITAL	DEEMED DIVIDEND	DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	TOTAL STOCKHOLDER'S EQUITY
COMMON STOCK ISSUED MAY 28, 1999 FOR CASH	500000	500	155	0	0	500
COMMON STOCK ISSUED JULY 1, 2000 FOR CASH	2000000	2,000	0	0	0	2,000
DEEMED DIVIDEND RE: LICENSE RIGHTS	0	0	0	(2000)	0	(2,000)
(LOSS) FOR THE PERIOD MAY 27, 1999 (INCEPTION) THROUGH DECEMBER 31, 2001	0	0	0	0	(1855)	(1,855)
BALANCES						
DECEMBER 31, 1999	2500000	2,500	155	(2,000)	(1,855)	(1,200)
COMMON STOCK ISSUED MAY 15, 2000						

FOR CASH	100000	100	11900	0	0	12,000
(DEFICIT) FOR THE YEAR ENDED DECEMBER 31 2000	0	0	0	0	(10,800)	(10,800)
BALANCES						
DECEMBER 31 2000	2600000	2,600	12,055	(2,000)	(12,655)	0

(CARRIED FORWARD)

(BROUGHT FORWARD)

BALANCES						
DECEMBER 31 2000	2600000	2,600	12,055	(2,000)	(12,655)	0
(DEFICIT) FOR THE YEAR ENDED DECEMBER 31, 2001	0	0	0	0	(7,500)	(7,500)
BALANCES						
DECEMBER 31, 2001	2600000	2600	12,055	(2,000)	(20,155)	(7,500)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000
AND FOR THE PERIOD MAY 27, 1999 (INCEPTION)

THROUGH DECEMBER 31, 2001

	DECEMBER 31 2001	DECEMBER 31 2000	INCEPTION TO DECEMBER 31 2001
CASH FLOWS FROM (BY) OPERATING ACTIVITIES:			
NET INCOME (LOSS)	$ (7,500)	$ (10,800)	$ (20,155)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	7,500	(1,200)	7,500
NET CASH (USED) BY OPERATING ACTIVITIES	0	(12,000)	(12,655)
CASH FLOWS FROM I NVESTING ACTIVITIES:			
DEEMED DIVIDEND RE: LICENSE RIGHTS	0	0	(2,000)
CASH FLOWS FROM (TO) FINANCING ACTIVITIES:			
ISSUANCE OF COMMON STOCKS	0	12,000	14,655
INCREASE (DECREASE) IN CASH	0	0	0
CASH, BEGINNING OF PERIOD	0	0	0
CASH, END OF PERIOD	$ 0	$ 0	$ 0

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

PARAGON POLARIS STRATEGIES.COM INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE I - ORGANIZATION AND HISTORY

Paragon Polaris Strategies.Com Inc. is a Nevada Corporation and the Company has been in the development stage since its formation on May 27, 1999.

The Company's only activities have been organizational, directed at raising its initial capital and developing its business plan.

On May 27, 1999, Paragon Polaris Strategies.Com Inc. issued 500,000 shares of common stock to its officers and directors as founders' shares in return for the time, effort and expenses to organize and form the corporation. On July 1, 1999 the Company issued 2,000,000 shares of common stock to ten individuals in exchange for certain license rights. On May 15, 2000 100,000 shares were issued for cash.

NOTE II - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DEVELOPMENT STAGE ACTIVITIES

The Company has been in the development stage since inception.

ACCOUNTING METHOD

The Company records income and expenses on the accrual method.

REVENUE RECOGNITION POLICIES

Revenue will be recognized on a net commission basis. The Company has no research and development expenses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, cash on deposit, and highly liquid investments with maturities generally of three months or less. At December 31, 2001, there was $0 in cash equivalents.

YEAR END

The Company has elected to have a fiscal year ended December 31.

USE OF ESTIMATES

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of financial statements, as well as revenues and expenses reported for the periods presented. The Company regularly assesses these estimates and, while actual results may differ management believes that the estimates are reasonable.

NOTE III - RELATED PARTY TRANSACTIONS

The Company has entered into an agreement made effective July 1, 1999 with David R. Mortenson & Associates (Grantor) to receive the rights to distribute the water treatment products developed by NW Technologies, Inc. for the States of Arizona and Nevada. Minimum purchase requirements were $125,000 the first year and $175,000 the second year.

On July 6, 1999 the Company filed a Form D pursuant to Section 3(b) of the Securities Act and Rule 504 promulgated thereunder, with the Securities and Exchange Commission registering the issuance of 200,000 shares of common stock to each of the ten general partners of David R. Mortenson and Associates, a Texas general Partnership. The shares were issued at a price of $0.001 per share being the par value per share for a total of $2,000 in exchange for the water remediation license. The water remediation license is recorded a cost of $NIL, being the original cost of the license to David R. Mortenson and Associates. The difference between the issue price of the shares and the cost of the license is recorded as a deemed dividend.

The agreement with David R. Mortenson & Associates was entered into by previous management.

In December, 1999 N.W. Technologies, Inc. unilaterally cancelled its contract with David Mortenson & Associates. Early in the year 2000 David Mortenson & Associates laid suit against N.W. Technologies, Inc.

in Harris County Court, Texas.

In the opinion of management, the Company has no direct or indirect interest in the Texas lawsuit

In a letter dated January 5, 2000 David Mortenson & Associates suspended all present and future payments under the License Agreement until their dispute with N.W. Technologies is resolved.

Due to the dispute regarding the water remediation license, David R. Mortenson and Associates gave and additional license to the Company on January 20, 2000. The license is to distribute vitamins, minerals, herbs and other health products and supplements via the Internet. The license calls for a 10% add-on for all products purchased and an annual $500 website maintenance fee. The effective date of the License Agreement was January 3, 2000. The license is for an initial three years from the effective date and is automatically renewable unless either party to the license agreement gives ninety days written notice of non-renewal prior to expiration date. No amounts have been recorded in these financial statements regarding the granting of the license. Dorothy Mortenson is the wife of David R. Mortenson. She is an original incorporator of the Company and served as Corporate Secretary until January 17, 2000 when her shares were purchased by present management. David R. Mortenson is a principal in both David Mortenson & Associates and VitaMineralHerb.com. Neither Mr. nor Mrs. Mortenson own or have owned any of the Company?s securities since November 24, 1999. Outside of his association with VitaMineralHerb.com, Mr. Mortenson has no connection with Paragon Polaris. As a result, management considers that he is at arms length with the Company.

NOTE IV - SUBSEQUENT EVENTS

On September 14, 2001 the United States Securities and Exchange Commission declared the Company's SB2 filing effective. Included in that document was the registration of 2,000,000 shares of common stock to be sold at a price of $0.20 per share. In January, 2002 250,000 shares were subscribed for, fully paid and issued. Management of the registrant halted sales and closed the offering. This decision was made due to general market conditions and the difficulty in attracting subscribers prior to the NASD assigning a symbol and admitting the Company's shares for quotation on the OTC Bulletin Board.

Item 8. Changes And Disagreements With Accountants On Accounting And Financial Disclosures

There have been no changes or disagreements with the Company's independent outside auditor.

PART III

ITEM 9. Directors, Executive Officers, Promoters And Control Persons; Compliance With Section 16(A) Of The Exchange Act

The Directors and Executive Officers of the registrant are as follows:

Name	Age	Position
Robert Foo	51	President and Director since January 2000

Samuel Lau	34	Secretary/Treasurer and Director since January 2000

The directors named above will serve until the first annual meeting of the stockholders of Paragon Polaris stockholders. Thereafter, directors will be elected for one-year terms at the annual stockholders' meeting. Officers will hold their positions at the pleasure of the board of directors, absent any employment agreement, of which none currently exists or is contemplated. There is no arrangement or understanding between the directors and officers and any other person pursuant to which any director or officer was to be selected as a Director or Officer.

The Directors of the Company hold office until the next annual meeting of the shareholders and until their successors have been elected and have qualified. There is no family relationship between and executive officer and director of the Company.

Both of our directors have other business interests and as a result they will spend only a portion of their time on an as-needed basis conducting the affairs of the Company. Our president has indicated that as we grow and the need for his services increase, he will increase his time devoted to the affairs of Paragon Polaris accordingly.

Business Experience.

Robert Foo. Robert Foo, a native of Malaysia and a Canadian citizen, is the President and a Director of Paragon Polaris. In 1975 he graduated from Southern Alberta Institute of Technology with a degree in Business Administration. From 1975 to 1977 Mr. Foo was in the management program of the Denny's Restaurant chain. From 1977 through 1980 he was a sale agent for The Metropolitan Life Insurance Company. From 1980 to 1986 he was a sales representative of Seaboard Life Insurance. Mr. Foo served as the promoter of Archer Communications, Inc. from 1986 to 1988 and currently is President and Chief Executive Officer of Trans Asia Resources, Inc., an oil and gas exploration company, currently engaged in drilling in Texas in conjunction with NYSE listed Apache Petroleum, Inc.

Samuel Lau. Mr. Lau is the Secretary Treasurer and a Director of Paragon Polaris.
Since July, 1998 he has served the corporate secretary and office manage of Trans Asia Resources, Inc. an oil and gas exploration company. For the two years preceding June, 1998, Mr. Lau was a supervisor at a large Travel Agency, Happy Times Travel. From November, 1996 to May, 1998 he was a travel consultant with Quality Travel. From 1991 through 1993 he was a sales representative for Key Jewelry. Mr. Lau attended York University, Toronto Ontario.

Section 16(A) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company's executive officers and directors, and persons who beneficially own more than ten percent of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Officers, directors and greater than ten percent shareholders are required by SEC regulation to furnish the Company with copies of all Section 16(a) forms they file. Based on its review of the copies of such forms received by it, the Company believes that during the fiscal year ended December 31, 2001 all such filing requirements applicable to its officers and directors were complied with exception that reports were filed late by the following persons:

Name and principal position	Number Of late Reports	Transactions Not Timely Reported	Known Failures To File a Required Form
Robert Foo (president and director)	0	0	0
Samuel Lau (secretary, treasurer and director)	0	0	0

Item 10. Executive Compensation

During the year ended December 31, 2001, the officers of the Company received no salary or benefits. At the present time none of the officers or directors receives any salaried compensation for their services. The Company has no formal policy or plan regarding payment of salaries, but should it pay them, it would be in conformance with general business considerations as to the payment of same, such as the desire to compensate officers and employees for time spent on behalf of the Company.

No retirement, pension, profit sharing, stock option or insurance programs or similar programs have been adopted by the Registrant for the benefit of its employees.

No executive officer or director of the Company holds any option to purchase any of the Company's securities.

Item 11. Security Ownership Of Certain Beneficial Owners And Management

The following table sets forth, as of December 31, 2001 the number of shares of Common Stock owned of record and beneficially by executive officers, directors and persons who hold 5.0% or more of the outstanding Common Stock of Paragon Polaris. Also included are the shares held by all executive officers and directors as a group.

Name and Address Beneficially	Number of Shares Owned	Percent of Class Owned
Robert Foo 4138 Staulo Crescent Vancouver, BC V8N 3S2	250,000	9.62
Samuel Lau #211 - 1503 West 66th Avenue Vancouver, BC V6P 2R8	250,000	9.62
Marie M. Charles Po Box 4456 Pasadena, TX 77503	200,000	7.70
Roy Donovan Hinton Jr. 9200 Alemeda Genoa Road Houston, TX 77075	200,000	7.70
Darren Quan 313 Oakhaven Drive Pleasanton, TX 78064	200,000	7.70

George R. Quan 29 King Street Belize City, Belize	200,000	7.70
Marsha Quan 313 Oakhaven Drive Pleasanton, TX 78064	200,000	7.70
All directors and executive Officers as a group (2 persons)	500,000	19.23 %

Item 12. Certain Relationships and Related Transactions

In July 1999 Paragon Polaris issued to ten individuals a total of 2,000,000 shares of common stock in consideration of acquiring the rights to manufacture and market an oxygen-enhanced product for use in aquaculture, fish and poultry farming and the bioremediation of waste ponds and lagoons in the state of Pennsylvania. David R. Mortenson and Associates acquired these rights from the inventors of the product, N.W. Technologies Inc. under a distribution agreement.

In December, 1999 N.W. Technologies unilaterally canceled its contract and distribution agreement with David R. Mortenson and Associates. Mortenson and several of the concerns that have an interest in the technology through distribution agreements with Mortenson, have filed suit in Harris County court, Texas against N.W. Technologies Inc, its officers and directors and several other individuals and concerns involved with the cancellation and withdrawal.

Paragon Polaris is not withdrawing from its agreement with Mortenson for the distribution and manufacture of the oxygen-enhanced products, nor has it any intention of doing so at the present time. All obligations under that agreement have been suspended until the lawsuit is resolved.

In order to avoid litigation with Paragon Polaris and to protect our shareholders Mortenson granted a distribution license for an Internet based vitamin and health supplement company. The company, VitaMineralHerb.com, is located San Diego, California. There was no charge for this distribution license for the states of Idaho and Oregon.

Item 13 Exhibits and Reports for Form 8-K

Exhibit	
3.1	Articles of Incorporation*
3.2	Bylaws*
10.1	License Agreement*
10.2	Assignment of License Agreement*
10.3	License Agreement-Water*
10.4	Manufacturing Agreement between Vitamineralherb.com and Alta*

* Incorporated by reference

There are no Exhibits or Reports on Form 8-K

SIGNATURES

In Accordance with Section 13 or 15(d) of the Securities Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PARAGON POLARIS STRATEGIES.COM INC.

By: /S/ Robert Foo	By: /s/ Samuel Lau
Robert Foo, Director and President	Samuel Lau,
	Director and Treasurer

June 7, 2002