

BULLDOG TECHNOLOGIES INC  
 Form 10QSB  
 July 15, 2004

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

FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended

May 31, 2004

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number

000-50321

<b>Bulldog Technologies Inc.</b>	
(Exact name of small business issuer as specified in its charter)	
<b>Nevada</b>	98-0377543
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
<b>Riverside Place, Suite 301 - 11120 Horseshoe Way, Richmond, BC, Canada V7A 5H7</b>	
(Address of principal executive offices)	
<b>604.271.8656</b>	
(Issuer's telephone number)	
<b>#128, 11180 Coppersmith Place, Richmond, BC, Canada V7A 5G8</b>	
(Former name, former address and former fiscal year, if changed since last report)	

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

APPLICABLE ONLY TO CORPORATE ISSUERS

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

23,327,011 common shares issued and outstanding as at June 30, 2004.

Transitional Small Business Disclosure Format (Check one): Yes  No

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PART I

Item 1. Financial Statements

Our consolidated financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

It is the opinion of management that the consolidated interim financial statements for the quarter ended May 31, 2004 include all adjustments necessary in order to ensure that the consolidated financial statements are not misleading.

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BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2004 and August 31, 2003

(Unaudited - Amounts Stated in US Dollars)

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BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED BALANCE SHEETS

(Amounts Stated in US Dollars)

(Unaudited)

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<u>ASSETS</u>	May 31, <u>2004</u>	August 31, <u>2003</u>
	(a)	
Current		
	\$ 4,139,035	\$ 24,720
Cash and cash equivalents		
	12,533	1,854
Receivables		
	-	20,706
Tax credits refundable		
	26,184	22,110
Inventory		
	179,000	-
Deposits on inventory		
	62,425	1,791
Prepaid expenses		
	<hr/> 4,419,177	<hr/> 71,181
Total current assets		
Property, plant and equipment, net of accumulated depreciation	39,242	13,768
	<hr/> \$ 4,458,419	<hr/> \$ 84,949
Total Assets		
	<u>LIABILITIES</u>	
Current		
	\$ 384,676	\$ 234,513
Accounts payable and accrued liabilities (Notes 4 and 6)		
	-	113,142
Loans payable (Note 5)		
	<hr/> 384,676	<hr/> 347,655
Total current liabilities		
	<u>STOCKHOLDERS' EQUITY (CAPITAL DEFICIT)</u>	
Capital Stock (Note 6)		
Preferred stock, par value \$0.001 per share		
10,000,000 authorized, none issued		
Common stock, par value \$0.001 per share		

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100,000,000 authorized		
	23,258	9,033
23,258,011 issued ( August 31, 2003: 9,032,500 issued)		
Additional paid-in capital	9,198,698	1,421,521
Accumulated other comprehensive loss		
- cumulative translation adjustment	(82,749)	(99,863)
Deficit accumulated during the development stage	(4,815,464)	(1,593,397)
	<hr/>	<hr/>
	4,323,743	(262,706)
Deferred compensation cost (Note 4)	(250,000)	-
	<hr/>	<hr/>
	4,073,743	(262,706)
Total Stockholders' Equity (Capital Deficit)		
	<hr/>	<hr/>
Total Liabilities and Stockholders' Equity (Capital Deficit)	\$ 4,458,419	\$ 84,949
	<hr/>	<hr/>

(a) Represents the combined financial positions of Bulldog Nevada and Bulldog BC (Note 3).

SEE ACCOMPANYING NOTES

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BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited - Amounts Stated in US Dollars)

Three Months Ended May 31, <u>2004</u>	Three Months Ended May 31, <u>2003</u> <sup>(a)</sup>	Nine Months Ended May 31, <u>2004</u>	Nine Months Ended May 31, <u>2003</u> <sup>(a)</sup>	Cumulative from September 23, 1998 (Date of Inception) to May 31, <u>2004</u>
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xpenses

General  
and  
administrative

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Advertising and promotion	\$ 2,714	\$ 784	\$ 10,166	\$ 1,171	\$ 98,100
Consulting fees and commissions	203,030	4,341	247,280	6,422	607,260
Depreciation	5,129	3,568	8,456	3,568	31,610
Office and general	44,803	7,839	88,401	18,168	257,720
Professional fees	98,947	40,784	191,110	40,784	335,570
Rent	5,687	5,376	18,034	18,511	107,980
Salaries and wages (Note 4)	547,285	5,869	1,273,982	20,807	1,716,370
Trade shows, travel and marketing	62,309	-	71,908	2,105	96,320
Research and development	49,754	-	251,669	2,339	686,910
Loss from operations	(1,019,658)	(68,561)	(2,161,006)	(113,875)	(3,937,880)
Other income (expenses)	-	132,756	-	132,756	132,756
Tax Credit Refund	-	(4,007)	(6,107)	(4,007)	(32,560)

Interest expense	-	-	(954,000)	-	(954,000)
Loss on settlement of accounts payable (Note 6)	(100,954)	-	(100,954)		(23,770)
Foreign exchange loss and other					
Net (loss) income for the period	\$ (1,120,612)	\$ 60,188	\$ (3,222,067)	\$ 14,874	\$ (4,815,460)
Basic and diluted earnings (loss) per share	\$ (0.05)	\$ 0.01	\$ (0.16)	\$ -	
Weighted average shares outstanding	22,172,332	8,831,500	20,646,706	8,831,500	

(a) Represents the combined results of operations of Bulldog Nevada and Bulldog BC (Note 3).

SEE ACCOMPANYING NOTES

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BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
(Unaudited - Amounts Stated in US Dollars)

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	Three Months Ended May 31, <u>2004</u>	Three Months Ended May 31, <u>2003</u> <sup>(a)</sup>	Nine Months Ended May 31, <u>2004</u>	Nine Months Ended May 31, <u>2003</u> <sup>(a)</sup>	Cumulative from September 23, 1998 (Date of Inception) to May 31, <u>2004</u>
Net income (loss)	\$ (1,120,612)	\$ 60,188	\$ (3,222,067)	\$ 14,874	\$ (4,815,464)
Foreign currency translation	47,969	10,441	17,114	(17,441)	(82,741)
Comprehensive income (loss)	\$ (1,072,643)	\$ 70,629	\$ (3,204,953)	\$ (2,567)	\$ (4,898,205)

(a) Represents the combined comprehensive loss of Bulldog Nevada and Bulldog BC (Note 3).

SEE ACCOMPANYING NOTES

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BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - Stated in US Dollars)

	Nine Months Ended May 31, <u>2004</u>	Nine Months Ended May 31, <u>2003</u> <sup>(a)</sup>	Cumulative from September 23, 1998 (Date of Inception) to May 31, <u>2004</u>
Cash flows (used in) provided by operating activities:			
Net (loss) income	\$ (3,222,067)	\$ 14,874	\$ (4,815,464)
Adjustments to			

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reconcile net loss to net  
cash used in  
operating activities:

Depreciation	8,456	3,568	31,610
Expenses paid by affiliated company	-	-	301,303
Issue of common stock for services during the period	809,500	-	885,429
Stock option compensation	224,637	-	224,637
Loss on settlement of accounts payable	954,000	-	954,000
(Increase) decrease in assets			
Receivables	(10,679)	(6,911)	(12,533)
Tax credits refundable	20,706	1,357	-
Inventory	(4,074)	(12,538)	(26,184)
Deposits on inventory	(179,000)	-	(179,000)
Prepaid expenses	(60,634)	23,778	(62,245)
Increase in accounts payable and accrued liabilities	368,233	55,481	551,083
Net cash (used in) provided by operating activities	<u>(1,090,922)</u>	<u>79,609</u>	<u>(2,147,364)</u>
Cash flows used in investing activity			
Purchase of property, plant and equipment	(33,930)	(4,926)	( 71,879)
Cash flows from (used in) financing activities			



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Loans payable	(60,212)	(56,948)	52,930
Issuance of common shares	5,301,468	-	6,404,777
Shares repurchased	(20,000)	-	(20,000)
Net cash provided by (used in) financing activities	5,221,256	(56,948)	6,437,707
Increase in cash	4,096,404	17,735	4,218,464
Effect of foreign exchange rate changes on cash	17,911	(2,702)	(79,429)
Net increase in cash	4,114,315	15,033	4,139,035
Cash and cash equivalents, beginning of period	24,750	(10,083)	-
Cash and cash equivalents, end of period	\$ 4,139,035	\$ 4,950	\$ 4,139,035
Supplemental disclosure of cash flow information:			
Cash paid for:			
Interest	\$ 2,945	\$ 6,323	\$ 15,961
Income taxes	\$ -	\$ -	\$ -
Non-cash Investing and Financing Activities			
Issuance of shares in settlement of accounts payable	\$ 271,000	\$ -	\$ 271,000
Issuance of shares in settlement of	\$ 59,000	\$ -	\$ 59,000

loans payable

\$ 736

\$ -

\$ 736

Issuance of  
shares on  
recapitalization  
(Note 3)

a) Represents the combined cash flows of Bulldog Nevada and Bulldog BC (Note 3).

SEE ACCOMPANYING NOTES

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BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CAPITAL DEFICIT)

for the period from September 23, 1998 (Date of Inception) to May 31, 2004

(Unaudited - Amounts Stated in US Dollars)

	Common Stock <sup>(a)</sup>		Additional Paid-in	Cumulative Translation	Deficit Accumulated During the Development	Deferred Compensation
	<u>Shares</u>	<u>Par Value</u>	<u>Capital</u>	<u>Adjustment</u>	<u>Stage</u>	<u>Cost</u>
on of C, 23,	465,000	\$ 465	\$ (138)	\$ -	\$ -	\$ -
stock BC	20,000	20	6,683	-	-	-
-	125,000	125	83,663	-	-	-
-	22,500	23	30,140	-	-	-
stock BC	8,000	8	16,079	-	-	-
s change	-	-	-	(12)	-	-

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	-	-	-	-	(114,968)	-
August	640,500	641	136,427	(12)	(114,968)	-
(C)						
Stock						
BC	25,000	25	16,965	-	-	-
-						
-	8,000	8	8,147	-	-	-
-	2,500	2	3,398	-	-	-
Stock						
BC	34,000	34	9,494	-	-	-
on of Nevada	7,035,000	7,035	-	-	-	-
Stock						
	613,727	614	613,113	-	-	-
change	-	-	-	289	-	-
	-	-	-	-	(531,252)	-
August	8,358,727	8,359	787,544	277	(646,220)	-

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SEE ACCOMPANYING NOTES

BULLDOG TECHNOLOGIES INC.

Continued

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CAPITAL DEFICIT)  
for the period from September 23, 1998 (Date of Inception) to May 31, 2004  
(Unaudited - Amounts Stated in US Dollars)

Common Stock <sup>(a)</sup>		Additional Paid-in Capital	Cumulative Translation Adjustment	Deficit Accumulated During the Development Stage	Deferred Compensation Cost
<u>Shares</u>	<u>Par Value</u>				
8,358,727	8,359	787,544	277	(646,220)	\$ -
245,000	245	130	-	-	-
95,833	96	22,904	-	-	-
80,000	80	39,920	-	-	-
155,623	156	155,467	-	-	-
304,830	305	230,125	-	-	-
(861,000)	(861)	861	-	-	-
91,120	91	(91)	-	-	-
-	-	-	26,357	-	-
-	-	-	-	(424,417)	-
8,470,133	8,471	1,236,860	26,634	(1,070,637)	-

.../Cont'd.

SEE ACCOMPANYING NOTES

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BULLDOG TECHNOLOGIES INC.

Continued

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CAPITAL DEFICIT)  
for the period from September 23, 1998 (Date of Inception) to May 31, 2004  
(Unaudited - Amounts Stated in US Dollars)

Common Stock (a)	<u>Par Value</u>	<u>Additional Paid-in Capital</u>	<u>Cumulative Translation Adjustment</u>	<u>Deficit Accumulated During the Development Stage</u>
133	8,471	1,236,860	26,634	(1,070,637)
500	2	(2)	-	-
167	104	24,896	-	-
200	87	43,513	-	-
500		68,832	-	-
	168			
-	-	-	2,402	-

-	-	-	-	(209,920)
500	8,832	1,374,099	29,036	(1,280,557)
000	183	45,567	-	-
000	10		-	-
		1,863		
000	8	(8)	-	-
-	-	-	(128,899)	-
-	-	-	-	(312,840)
500	9,033	1,421,521	(99,863)	(1,593,397)

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SEE ACCOMPANYING NOTES

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(formerly Northward Ventures, Inc.)

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CAPITAL DEFICIT)

for the period from September 23, 1998 (Date of Inception) to May 31, 2004

(Unaudited - Stated in US Dollars)

Common Stock (a)	<u>Par Value</u>	<u>Additional Paid-in Capital</u>	<u>Cumulative Translation Adjustment</u>	<u>Deficit Accumulated During the Development Stage</u>	<u>Deferred Compensation Cost</u>
9,032,500	9,033	1,421,521	(99,863)	(1,593,397)	
448,000	448	111,552	-	-	
391,000	391	101,859	-	-	
(80,000)	(80)	(19,920)	-	-	
<hr/> 9,791,500	<hr/> 9,792	<hr/> 1,615,012	<hr/> (99,863)	<hr/> (1,593,397)	
9,591,400	9,591	(8,795)	-	-	

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520,000	520		-	-	
		519,480			
2,219,611	2,220	4,692,248	-	-	
600,000	600	1,103,400	-	-	
35,500	35	53,215	-	-	
500,000	500	999,500	-	-	(1,000,000)
-	-	224,638	-	-	
-	-	-	-	-	75,000
-	-	-	-	(3,222,067)	
-	-	-	17,114	-	



3,258,011	\$ 23,258	\$ 9,198,698	\$ (82,749)	\$ (4,815,464)	\$ (250,
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(a) Prior to the recapitalization in November 2003, the stockholders' equity represents the combined shares and balances of Bulldog Nevada and Bulldog BC exchanged on a one for one basis on recapitalization (Note 3).

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## BULLDOG TECHNOLOGIES INC.

(formerly Northward Ventures, Inc.)

(A Development Stage Company)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

May 31, 2004 and May 31, 2003

(Unaudited - Stated in US Dollars)

Note 1 Nature of Business and Ability to Continue as a Going Concern

The Company was incorporated under the laws of the State of Nevada on June 18, 2002 as Northward Ventures, Inc. ("Northward") and was previously involved in mineral exploration activity. In November 2003, the Company acquired all the issued and outstanding shares of Bulldog Technologies (BC) Inc. ("Bulldog BC") and Bulldog Technologies Inc. ("Bulldog Nevada"). Bulldog BC was incorporated under the laws of British Columbia on September 23, 1998 and carries on the business of developing and commercializing security systems for the cargo transportation industry. Bulldog Nevada was incorporated in the State of Nevada on January 18, 2000 primarily to raise financing for Bulldog BC. Prior to the share exchange, Bulldog BC and Bulldog Nevada were under common control. On November 7, 2003, the Company changed its name to Bulldog Technologies Inc. and merged with Bulldog Nevada such that after closing the consolidated entity consists of Bulldog Technologies Inc. (formerly Northward Ventures, Inc.) and its subsidiary, Bulldog BC.

In accordance with provisions governing the accounting for reverse acquisitions (Note 3), the figures presented as at August 31, 2003 and for the three and nine months ended May 31, 2003 are those of Bulldog BC and Bulldog Nevada, combined.

The Company is considered to be in the development stage and presents its financial statements in accordance with Statement of Financial Accounting Standards ("SFAS") No. 7, "Accounting and Reporting by Development Stage Enterprises".

These accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As at May 31, 2004, the Company has recognized no revenues and has accumulated operating losses of approximately \$4.815 million since the inception of Bulldog BC. The continuation of the Company is dependent upon the successful completion of development and marketing of its security systems, the

continuing support of creditors and stockholders as well as achieving a profitable level of operations. In April 2004, the Company completed a private placement whereby it raised gross proceeds of approximately \$5 million to finance the current operating and capital requirements of the Company (Note 6). Amounts raised will be used to continue development of the Company's products, roll out the Company's products to market and for other working capital purposes. While the Company is expending its best efforts to achieve the above plans, there is no assurance that any such activity will generate sufficient funds for operations.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

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Note 2 Significant Interim Financial Statement Accounting Policies

The consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. Actual results could differ from those estimates.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Interim Financial Statements

The interim financial statements included herein, presented in accordance with United States generally accepted accounting principles and stated in US dollars, have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

These statements reflect all adjustments, consisting of normal recurring adjustments, which in the opinion of management, are necessary for fair presentation of the information contained therein. It is suggested that these interim financial statements be read in conjunction with the audited financial statements of the Company for the periods ended August 31, 2003 and 2002 included in the Company's 10-KSB Annual Report as well as the audited financial statements of Bulldog Nevada and Bulldog BC which were included in the Company's 8-K/A Current Report filed in November 2003. The Company follows the same accounting policies in the preparation of interim reports.

Results of operations for the interim periods are not indicative of annual results.

Cash and Cash Equivalents

The Company considers cash and cash equivalents to include amounts held in banks and term deposits.

Stock Option Compensation

The Company has adopted SFAS No. 123, "Accounting for Stock-Based Compensation" to account for stock options granted to non-employees using the fair value based method prescribed in SFAS 123. Stock option compensation for non-employees is re-measured quarterly until options vest.

The Company has elected to continue to measure compensation cost for employees under Accounting Principles Board ("APB") Opinion No. 25, including interpretations provided in Interpretation ("FIN") No. 44. Generally, under APB No. 25 compensation expense is recognized for options granted to employees and directors (for their services as directors) if the option price is less than the market price of the underlying common stock on the date of the grant. Accordingly, no compensation cost has been recognized in connection with the 150,000 options granted to an employee in May 2004 as the exercise price equals the market price of the Company's stock on the date of grant. No options were granted to employees in prior periods. Had compensation cost been determined based upon the fair value of the stock options at the grant date consistent with the fair value method prescribed in Statement of Financial Accounting Standards ("SFAS") No. 123, the Company's net loss and loss per share would have been increased to the following pro forma amounts:

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Note 2 Significant Interim Financial Statement Accounting Policies

Stock Option Compensation - cont'd

	For the three months ended May 31, 2004	For the nine months ended May 31, 2004
Net loss as reported	\$(1,206,652)	\$ (3,222,067)
Deduct: Stock-based employee compensation expense determined under fair value based method for	(66,722)	(66,722)

awards, net of  
related tax  
effect

Pro-forma loss ~~(1,167,344)~~ \$ (3,288,789)

Loss per  
share:

Basic and diluted - as reported (0.05) \$ (0.16)

Basic and diluted - pro-forma (0.05) \$ (0.16)

The weighted average fair value of the options granted during the nine-month period ended May 31, 2004 (to non-employees) was \$1.98 per option estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, expected volatility of 186%, risk-free rate of 3.07% - 3.63% and an expected life of 5 years. Such amount will be remeasured as the options vest and will be amortized on a straight-line basis over the vesting period of ten months.

On February 25, 2004, the Company granted 175,000 stock options to five persons who are members of the advisory board exercisable at \$0.50 per option until expiry on February 25, 2009. At May 31, 2004, 17,500 stock options were exercisable. Amortized compensation expense recognized in the Statement of Operations in respect to these option grants totalled \$174,968 calculated using the Black Scholes option pricing model for 175,000 options granted using the assumptions set out above.

On May 1, 2004, the Company granted 150,000 stock options to an employee to acquire 150,000 shares of the Company at the exercise price of \$2.20 per share, of which 50,000 will vest on August 1, 2004, 50,000 on October 1, 2004 and 50,000 on January 1, 2004 (Note 6).

On May 4, 2004, the Company granted 100,000 stock options to two persons who are members of the advisory board exercisable at \$2.20 per option until expiry on May 4, 2009. As at May 31, 2004, the amortized compensation expense recognized in the Statement of Operations in respect of these option grants totalled \$49,670 calculated using the Black Scholes option pricing model based on the assumptions set out above.

At May 31, 2004, the stock options remain outstanding.

Note 3 Recapitalization

In November 2003, the Company closed an agreement with the stockholders of Bulldog BC and Bulldog Nevada (companies under common control) whereby the Company acquired the issued and outstanding shares of Bulldog BC and Bulldog Nevada on a one for one basis in exchange for 710,000 and 9,081,500 shares of the Company's common stock, respectively. At May 31, 2004, all of Bulldog Nevada's shares have been exchanged while 695,800 of Bulldog BC's common shares had been exchanged leaving 14,200 common shares of Bulldog BC still to be exchanged.

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The acquisition was accounted for using the purchase method of accounting as applicable to reverse acquisitions because the former stockholders of Bulldog BC and Bulldog Nevada controlled approximately 49% of the Company's common stock immediately upon conclusion of the transaction including the private placement completed in connection with the transaction and the continuing business is that of Bulldog BC and Bulldog Nevada. Under reverse acquisition accounting, the post-acquisition entity is accounted for as a recapitalization of Bulldog BC and Bulldog Nevada. The value assigned to common stock of the Company was \$796.

In accordance with provisions governing the accounting for reverse acquisitions, the figures presented as at August 31, 2003 and for the three and nine months ended May 31, 2003 are those of Bulldog BC and Bulldog Nevada, combined. The authorized and issued share capital of these companies at August 31, 2003 was as follows:

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Note 3 Recapitalization - (cont'd)

Bulldog Nevada

Authorized: 20,000,000 common shares, \$0.001 par value  
Issued: 8,322,500 common shares

Bulldog BC

Authorized: 5,000,000 common shares, no par value  
Issued: 710,000 common shares (\*)

(\*) The adjustment for the exchange of no par value common shares of Bulldog BC for \$0.001 par value common shares of the Company on a one for one basis has been retroactively reflected in the pre-acquisition period for comparison purposes.

Immediately prior to the acquisition of Bulldog BC and Bulldog Nevada, the Company completed a 4.34 for 1 split of its common stock and concurrently two stockholders of the Company surrendered 6,680,000 common shares to the Company for cancellation. No consideration was paid on redemption of these shares.

Unaudited pro-forma revenue, net loss and loss per share assuming the transaction had been completed on September 1, 2002 is as follows:

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	Three Months Ended May 31 <u>2004</u>	Three Months Ended May 31 <u>2003</u>	Nine Months Ended May 31 <u>2004</u>	Nine Months Ended May 31 <u>2003</u>
Revenue	\$ -	\$ -	\$ -	\$ -
Net income (loss) for the period	(1,120,612)	60,188	(3,222,067)	14,874
Income (Loss) per share	\$ (0.05)	\$ 0.01	\$ (0.16)	\$ -

Note 4 Related Party Transactions

The Company was charged the following expenses by a director of the Company, by companies with common directors or by a spouse of a director of the Company and not disclosed:

	NINE MONTHS ENDED May 31, <u>2004</u>	NINE MONTHS ENDED May 31, <u>2003</u>
Commissions	\$ 10,000	\$ -
Management fees	\$ -	\$ 4,096
Director fees	\$ 103,500	\$ -

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Note 4 Related Party Transactions - (cont'd)

These charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

The Company has entered into agreements with two directors for services for a one-year term commencing November 17, 2003 whereby it will issue an aggregate of 275,000 shares of common stock vesting monthly. At May 31, 2004, accounts payable and accrued liabilities includes \$171,000 (based on the quoted market value of the Company's common stock on the agreement date) due to directors of the Company in respect of unpaid director fees (August 31, 2003: \$50,000 management fees). Subsequent to May 31, 2004, 69,000 shares were issued in settlement of \$103,500 of the liability above.

On December 24, 2003, Bulldog BC entered into an employment contract for a three-year term with the Company's president. The terms of the agreement provided that commencing September 1, 2003, the president will receive a salary of \$6,000 per month and additional compensation of 1,100,000 shares issuable as follows: 500,000 on signing the agreement and 300,000 shares on each of October 1, 2004 and October 1, 2005.

The Company issued the 500,000 non-forfeitable, fully vested shares of common stock to the Company's president on January 16, 2004. The common stock is restricted from trading. Compensation expense based upon the quoted market price of these common shares on the

agreement date totals \$1,000,000 which is being amortized rateably over the first year term of the contract. At May 31, 2004, \$250,000 pertaining to stock compensation attributable to the remainder of the first employment year was deferred as a reduction of Stockholders' Equity to be amortized over the remaining period to August 31, 2004. Compensation costs pertaining to future share issuances under the employment agreement will be measured on the date they are earned. The Company is currently in the process of reviewing the terms of the employment contract with its president including restrictions as to the future resale of the common stock.

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Note 5 Loans Payable

	May 31, <u>2004</u>	August 31, <u>2003</u>
i) Advances for private placement, secured by a general security agreement over the assets of the Company and a guarantee by a company with a common director. During the nine months ended May 31, 2004 the shares associated with the advances were issued (Note 6).	\$ -	\$ 25,000
ii) Loan payable on demand. The loan was unsecured, bearing interest at 12% per annum. During the nine months ended May 31, 2004 the loan was settled through the issuance of 18,000 shares at a price of \$0.25 per share, and the balance settled in cash.	-	24,536
iii) Loans payable on demand, unsecured and non-interest bearing. During the nine months ended May 31, 2004 the loans were settled through the issuance of 100,000 shares at a price of \$0.25 per share and the balance settled in cash.	-	63,606
	<hr/>	<hr/>
	\$ -	\$ 113,142
	<hr/>	<hr/>

Note 6 Capital Stock

Capital stock transactions for the nine months ended May 31, 2004 not disclosed elsewhere in these consolidated financial statements includes:

Prior to the Share Exchange with Bulldog Nevada and Bulldog BC

In October 2003, Bulldog Nevada issued 448,000 common shares at \$0.25 per share for proceeds of \$112,000 pursuant to a private placement.

During the three months ended November 30, 2003, Bulldog Nevada issued 25,000 non-forfeitable, fully vested common shares at \$0.25 per share for services rendered totalling \$6,250, 118,000 common shares on settlement of loans payable (Note 5) of \$34,000

(including accrued interest) and issued 248,000 non-forfeitable, fully vested common shares to settle accounts payable of \$62,000. Included in the settlement of accounts payable was the settlement of \$50,000 of accounts payable due to the Company's president in exchange for 200,000 shares of common stock. The value of common shares issued was based on the estimated fair value (using the most recent private placement price received from third parties) of Bulldog Nevada's common shares on the respective agreement dates.

In November 2003, Bulldog Nevada repurchased and cancelled 80,000 common shares for \$20,000.

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Note 6 Capital Stock - (cont'd)

After the Share Exchange with Bulldog Nevada and Bulldog BC

In connection with the Share Exchange Agreement in November 2003 (Note 3), the Company completed a private placement and issued 520,000 units to one investor at a price of \$1.00 per unit. \$25,000 was received during the year ended August 31, 2003 (Note 5). Each unit was comprised of one common share and one share purchase warrant which entitles the holder to purchase an additional common share for \$1.00 up to November 2005. All warrants are still outstanding and exercisable at May 31, 2004.

In December 2003 and January 2004, the Company issued 600,000 non-forfeitable, fully vested common shares to settle \$150,000 of accounts payable. A loss of \$954,000 was recognized in respect of the settlement of accounts payable based upon the quoted market price of the Company's common stock on the respective agreement dates. Such amounts have been recognized in the Company's consolidated statements of operations for the nine month periods ended May 31, 2004.

In December 2003 and January 2004, the Company issued 35,500 non-forfeitable, fully vested shares of common stock to directors of the Company pursuant to an employment and director agreements (Note 4). The value attributable to the common stock was \$53,250 based on the quoted market price of the Company's common stock on the issuance dates.

In April 2004, the Company completed a private placement and issued 2,219,611 units for gross proceeds of \$4,994,115. Each unit consisted of one common share, 1/4 series A purchase warrant and 1/2 Series B purchase warrant. Consequently, the Company issued 554,902 series A share purchase warrants exercisable at \$3.50 per share for a period of five years and 1,109,806 series B purchase warrants exercisable at \$2.25 per share until eight months after the Company's registration statement has been declared effective (June 2, 2004). As part of the private placement, the Company paid \$299,647 as finder's fees calculated at 6% of the gross proceeds. The Company also agreed to pay 6% of any monies received on the exercise of these warrants as additional finder's fees.

In March 2004, the Board of Directors approved the Company's 2004 Stock Option Plan ("the 2004 Plan"). The 2004 Plan provides for the granting of stock options to key employees, directors and consultants to purchase up to 5,000,000 common shares of the Company. Under the 2004 Plan, the granting of incentive and non-qualified stock options, exercise prices and terms are determined by the Board of Directors. For incentive options, the exercise price shall not be less than the fair market value of the Company's common stock on the grant date. (In



the case of options issued to an employee who owns stock possessing more than 10% of the voting power of all classes of the Company's stock on the date of grant, the option price must not be less than 110% of the fair market value of common stock on the grant date.). Options granted are not to exceed terms beyond ten years (5 years in the case of an incentive stock option granted to a holder of 10 percent of the Company's common stock). Unless otherwise specified by the Board of Directors, stock-options shall vest at the rate of 25% per year starting one year following the granting of options. On May 1, 2004 the Company granted 150,000 stock options to an employee to acquire 150,000 shares of the Company at the exercise price of \$2.20 per share, of which 50,000 will vest on August 1, 2004, 50,000 on October 1, 2004 and 50,000 on January 1, 2004.

On May 4, 2004, the Company entered into an employment agreement with an employee, wherein the employee shall be issued 150,000 shares as stock compensation, 75,000 of which shall be issued before November 30, 2004 and another 75,000 before January 30, 2005. As at May 31, 2004 accounts payable and accrued liabilities includes \$99,000 (based on the quoted market value of the Company's common stock on the agreement date of May 4, 2004) due to this employee.

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#### Note 7 Contingent Liabilities

An action has been commenced against the Company for damages and breach of contract. Management is of the opinion that the claim is without merit and intends to vigorously defend the allegations. The Company is counterclaiming for the cancellation and return to treasury of 200,000 common shares for breach of contract.

A demand has been made against the Company for 19,500 shares of the Company's common stock and distribution rights of the Company's products in Japan and Korea. Management is attempting to negotiate a settlement of the claim.

A demand letter was received by a former employee of the Company claiming CDN\$4,000 and 25,000 shares of common stock.

An action has been commenced against the Company pursuant to a contract that it entered into with a company claiming a finder's fee of \$5,800 and 979,150 common shares. Management believes that there is no substantive merit to the claim.

The outcome of the above matters is indeterminable. Any settlement resulting from resolution of these contingencies will be accounted for in the period of settlement.

#### Note 8 Subsequent Events

On June 10, 2004, the Company issued 69,000 share of common stock to two directors in consideration for \$103,500 of their services as directors of our company.

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#### Note 9 Commitments

During the period ending May 31, 2004 the Company entered into agreements to lease new premises, with the lease commencing on July 1, 2004 and expiring on July 1, 2009. The minimum annual lease payments over the term of the lease are summarized as follows:

2004	-	\$ Nil
2005	-	\$35,847
2006	-	\$113,806
2007	-	\$115,530
2008	-	\$124,152
2009	-	\$69,019

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Note 10 New Accounting Pronouncements

In January 2003, the FASB issued Interpretation No. 46 ("FIN No. 46"), "Consolidation of Variable Interest Entities, an Interpretation of ARB 51." FIN No. 46 was effective for all variable interest entities ("VIEs") created or acquired after January 31, 2003. The primary objectives of FIN No. 46 are to provide guidance on the identification of entities for which control is achieved through means other than voting rights and how to determine when and which business enterprises should consolidate the VIE. This new model for consolidation applies to an entity for which either: (1) the equity investors do not have a controlling financial interest; or (2) the equity investment at risk is insufficient to finance that entity's activities without receiving additional subordinated financial support from other parties. In addition, FIN No. 46 requires that both the primary beneficiary and all other enterprises with a significant variable interest in a VIE make additional disclosures. As amended in December 2003, the effective dates of FIN No. 46 for public entities that are small business issuers, as defined ("SBIs"), are as follows: (a) For interests in special-purpose entities: periods ended after December 15, 2003; and (b) For all other VIEs: periods ending after December 15, 2004. The December 2003 amendment of FIN No. 46 also includes transition provisions that govern how an SBI which previously adopted the pronouncement (as it was originally issued) must account for consolidated VIEs.

The implementation of this new standard is not expected to have a material effect on the Company's consolidated financial statements.

On May 15, 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". SFAS No. 150 changes the accounting for certain financial instruments that, under previous guidance, could be classified as equity or "mezzanine" equity, by now requiring those instruments to be classified as liabilities (or assets in some circumstances) in the statement of financial position. Further, SFAS No. 150 requires disclosure regarding the terms of those instruments and settlement alternatives. SFAS No. 150 affects an entity's classification of the following freestanding instruments: a) Mandatorily redeemable instruments b) Financial instruments to repurchase an entity's own equity instruments c) Financial instruments embodying obligations that the issuer must or could choose to settle by issuing a variable number of its shares or other equity instruments based solely on (i) a fixed monetary amount known at inception or (ii) something

other than changes in its own equity instruments d) SFAS No. 150 does not apply to features embedded in a financial instrument that is not a derivative in its entirety. The guidance in SFAS No. 150 is generally effective for all financial instruments entered into or modified after May 31, 2003, and is otherwise effective at the beginning of the first interim period beginning after June 15, 2003.

The implementation of this new standard did not have a material effect on the Company's consolidated financial statements.

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## Item 2. Management's Discussion and Analysis and Plan of Operation.

### FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "will", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors", that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our consolidated financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles. The following discussion should be read in conjunction with our consolidated financial statements and the related notes that appear elsewhere in this quarterly report.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars. All references to "CDN\$" refer to Canadian dollars and all references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report, the terms "we", "us" and "our" mean Bulldog Technologies Inc., formerly Northward Ventures, Inc., the term "Bulldog BC" refers to Bulldog Technologies (BC) Inc., a British Columbia, Canada corporation, and the term "Bulldog Nevada" refers to Bulldog Technologies Inc., a Nevada corporation.

#### General Overview

We were incorporated under the laws of the State of Nevada on June 18, 2002. Until we entered into the acquisition with Bulldog BC and the merger with Bulldog Nevada, our focus was on the exploration of a mineral claim known as the North Manchester Property, located in the Sudbury Mining Division, Province of Ontario, Canada. We hold an option to acquire a 70% interest in the North Manchester Property mineral claim and is exercisable by us if we meet certain minimum required exploration expenditure requirements. The North Manchester Property is subject to a 1% net smelter return royalty, in favor of Klondike Bay Minerals, the optionor. To date, we have not undertaken any exploration activity on the North Manchester Property. We do not intend on expending any more funds on this property and will accordingly let the option lapse.

### Acquisition of Bulldog BC and Merger with Bulldog Nevada

On November 10, 2003, we completed the acquisition of 695,800, or 98%, of the shares of Bulldog BC in exchange for issuing 695,800 shares of our common stock. The stockholders of Bulldog BC were entitled to receive one share of our common stock for each share of Bulldog BC. After the acquisition closed on November 10, 2003, Bulldog BC became our subsidiary.

The merger of Bulldog Nevada and Bulldog Acquisition Corp. was completed effective as of November 10, 2003. As a result of the merger, we acquired 9,081,500 issued and outstanding shares in Bulldog Nevada in exchange for agreeing to issue 9,081,500 shares of our common stock to the stockholders of Bulldog Nevada. The stockholders of Bulldog Nevada were entitled to receive one share of our common stock for each share of Bulldog Nevada. After the merger closed on November 10, 2003, Bulldog Nevada became our wholly-owned subsidiary. After completion

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of this merger, we merged Bulldog Acquisition Corp. with our company. As part of this merger, we changed our name from "Northward Ventures, Inc." to "Bulldog Technologies Inc." to reflect our newly acquired business.

### Bulldog BC and Bulldog Nevada

Bulldog BC carries on the business of developing and commercializing security systems for the cargo transportation industry. Bulldog Nevada was incorporated primarily to facilitate the financing of Bulldog BC. Bulldog Nevada's primary asset consisted of an inter-corporate loan to Bulldog BC that was outstanding in the amount of \$1,122,197 as at August 31, 2003. Mr. John Cockburn was the sole officer, director and the principal shareholder of each of Bulldog BC and Bulldog Nevada. Other than the loan from Bulldog Nevada to Bulldog BC, there was no direct legal relationship between the two companies.

### Business of Bulldog BC

Bulldog BC's business is the development, manufacture and sale of the Bulldog Online Security System, which is commonly referred to as "BOSS", designed to prevent cargo theft from containers, tractor-trailers and cargo vans. Bulldog BC developed a compact, portable and electronic security device that attaches to the locking-rod of trailers and containers while in transit or storage. Bulldog BC has developed a BOSS for use on trucks that communicates with a pager which is carried by the driver. This system is known as the Road BOSS. The driver is alerted at attempts to access the cargo. The Road BOSS interfaces with satellite truck tracking systems. The business has also developed a BOSS for security of storage yard containers that alerts dispatch personnel of theft. This system is known as the Yard BOSS.

To date, Bulldog BC has several different BOSS product lines, which provide the company with the ability to tailor a yard or road based security system to the exact needs of the individual customer.

- RB-210 Yard BOSS - This is a portable external unit for containers/tractor trailers which provides yard security personnel the ability to monitor the movement and door seal of parked trailers or containers. The Yard BOSS provides a visible theft deterrent, uses motion sensors to prevent the movement of the trailer, and locking rod contacts to monitor the opening of the trailer doors. This unit replaces the RB-100 Yard BOSS by offering enhanced security features and increased functionality.

- RB-200 Road BOSS - This is a portable external double-attachment unit that secures a container/tractor trailer while in transit. This system is configured for use with a satellite asset management system or stand-alone pager. The RB-200 provides a visible theft deterrent and uses contact sensors on the locking rods to monitor the opening of the trailer doors.

- RB-300 Road BOSS Internal - This is an internal unit utilizing magnetic contact sensors for securing roll-up and sliding doors. This system can be configured for use with either the Road BOSS satellite tracking system, stand-alone pager, or Yard BOSS secure lot systems. The RB-300 provides the ability to monitor multiple doors, and allows for monitoring without alerting would-be thieves to its presence.

- RB-400 Tanker BOSS System. This electronic security system simultaneously monitors internal fluid levels and all ingress and egress points on tanker trucks. This unit consists of an in-truck control unit, the RB-400 and three types of sensor units. It contains advanced motion and accelerometer based intelligence to compensate for differential fuel levels during vehicle motion. The RB-400 easily interfaces with all existing GPS/vehicle tracking systems via a digital interconnect and supports network arming and disarming, providing operations management complete control over all fuel movement.

- Road BOSS Automatic Vehicle Location and security application software. This is a unique and innovative fleet management and security-monitoring platform which allows us to offer a complete security and asset management solution for the transportation industry.

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#### General - Explanation of Comparative Periods

As discussed above, we acquired Bulldog BC and Bulldog Nevada effective on November 10, 2003. The acquisition was accounted for using the purchase method of accounting as applicable to reverse acquisitions because the former stockholders of Bulldog BC and Bulldog Nevada controlled approximately 49% of our common stock immediately upon conclusion of the transaction (including the private placement completed in connection with this transaction) and the continuing business is that of Bulldog BC and Bulldog Nevada. Under reverse acquisition accounting, the post-acquisition entity is accounted for as a recapitalization of Bulldog BC and Bulldog Nevada.

Accordingly, the historical financial statements and financial information presented in this quarterly report prior to the share exchange are those of Bulldog BC and Bulldog Nevada combined.

The audited financial statements of Northward Ventures (which was inactive and involved in a different business) for the fiscal periods ended August 31, 2003 and 2002 were included on our annual report on Form 10-KSB, filed with the Securities and Exchange Commission on October 24, 2003. Prior to the share exchange with Bulldog BC and Bulldog Nevada, Northward (the inactive public company) was not operating, had minimal assets and liabilities and had earned no revenue from its inception through 2003 and during that period incurred only \$61,128 of cumulative expenses, primarily pertaining to mineral exploration activity.

#### PLAN OF OPERATION AND CASH REQUIREMENTS

We anticipate that we will expend \$4.69 million during the twelve month period ending May 31, 2005 to secure initial product orders, build market channels, support customer trials, complete independent market and product evaluations, recruit additional senior management, conduct continued research and development on our new products, launch a marketing program, ramp up our manufacturing capabilities, and as working capital.

On April 13, 2004, we completed the private placement of 2,219,611 shares of our common stock and share purchase warrants to purchase up to 1,664,708 shares of our common stock for aggregate gross proceeds of \$4,994,115. With respect to 554,902 of the share purchase warrants, they are exercisable at \$3.50 per share for a period of five years and with respect to 1,109,806 warrants they are exercisable at \$2.25 per share until February 2, 2005. As part of this private placement, we paid \$299,647 as finder's fees calculated at 6% on the gross proceeds. We will also pay 6% on

any monies we receive from the exercise of the warrants as additional finder's fees.

#### Marketing

We plan to promote our products primarily through industry trade shows targeting the trucking, container transportation, insurance satellite, railcar and military business. We also plan to develop company and product awareness by contacting all major trucking, security and insurance associations with press releases and product information. We anticipate that we will expend approximately \$350,000 in the next twelve months on sales and marketing activities including the salaries for employees and consultants involved in sales and marketing.

#### Research and Development

We are planning to continue our research and development on the following new products:

- Vehicle, boat and airplane security. This unit is designed to protect transportation vehicles by attaching to the entrance door or window and transmitting to a pager.
- Container unit with a scanner. This unit is designed to scan bar codes on containers as they enter holding yards which will provide inventory control.
- Container unit with camera. The unit is similar to Yard BOSS but with the addition of a digital camera that will monitor an individual tampering with the container.
- Mobile home unit. The unit has a built in passive infrared detector and works in conjunction with a pager.

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- Internal global positioning unit. The unit would be incorporated into all of our current and future products and would allow tracking of any trucks or containers.

We anticipate expending approximately \$600,000 in the next twelve months on research and development activities, which would include the purchase of lab equipment to conduct these activities and the production of future prototypes.

#### Manufacturing

We are in the process of producing a mould which will be used to manufacture the plastic housing for our products. We are also planning on producing inventory in anticipation of the sales we expect to generate. We expect to spend \$400,000 in the next twelve months on ramping up the manufacturing process.

#### Employees

In addition to our existing staff, we are planning on hiring an additional inside sales person and administrative staff. We expect that we will expend \$400,000 in salaries during the twelve months ending April 30, 2005, not including salaries for those employees and consultants involved in marketing, manufacturing, and research and development.

#### General and Administrative Expenses

We expect to spend \$500,000 in the next twelve months on general and administrative expenses including legal and auditing fees, rent, office equipment and other administrative related expenses.

## Future Operations

Presently, we have not generated any revenues to meet operating and capital expenses. We have incurred operating losses since inception. As noted above, the management of our company projects that we may require an additional \$4.69 million to fund our ongoing operating expenses, and working capital requirements for the period ending May 31, 2005. These estimates do not include any unanticipated capital requirements that may be needed should we identify any products or business acquisitions that may add value to our current product and service offerings.

As at May 31, 2004, we had working capital of \$4,034,501. In their reports on the financial statements of Bulldog Nevada for the year ended August 31, 2003 and the financial statements of Bulldog BC for the year ended August 31, 2003, our former independent auditors included explanatory paragraphs regarding concerns about our ability to continue as a going concern. This was due to the uncertainty of our ability at the time to meet our current operating and capital expenses. As a result of the completion of the private placement in April 2004, we believe we now have sufficient funds to satisfy our estimated cash requirements for the period ending May 31, 2005. As at May 31, 2004, we had cash and cash equivalents of \$4,139,035. However, there is no assurance that actual cash requirements will not exceed our estimates, in which case we will require additional financing to bring our products into commercial operation, finance working capital and pay for operating expenses and capital requirements until we achieve a positive cash flow.

Substantial doubt still exists about our ability to continue as a going concern as the continuation of our business is dependent upon successful and sufficient market acceptance of our current product offerings and any new product offerings that we may introduce, the continuing successful development of our products and related technologies, and, finally, achieving a profitable level of operations. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

## Future Operations

Presently, our revenues are not sufficient to meet operating and capital expenses and we have incurred operating losses since inception, which are likely to continue for the foreseeable future. Management estimates that we will

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require \$4.6 million to fund our ongoing operating expenses and working capital requirements during the period ending May 31, 2005, broken down as follows:

<u>Estimated Expenditures Required During the Next Twelve Months</u>	
Operating expenses	
Sales and Marketing	\$350,000
General and Administrative	\$900,000
Research and Development	\$600,000
Capital Expenditures	\$40,000
Manufacturing	\$400,000
Working capital	\$2,400,000

Total	\$4,690,000
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As a result of the completion of the private placement in April 2004, we believe we have sufficient funds to satisfy these estimated cash requirements. However, there is no assurance that actual cash requirements will not exceed our estimates, in which case we will require additional financing to bring our products into commercial operation, finance working capital and pay for operating expenses and capital requirements.

We currently anticipate that revenues will commence and increase in the long-term as we increase our sales and marketing activities and introduce new products relating to tanker truck security and verification of cargo manifests. We have implemented significant cost reductions and expect to keep our operating costs to a minimum until cash is available through operating or financing activities. We anticipate that we will start generating revenues from the sale or lease of our Yard BOSS systems and our tanker truck security systems (currently in development) within the next twelve months, but, given our lack of operating history, we are not in a position to predict whether we will be able to generate sufficient revenues to meet our cash requirements beyond May 31, 2005.

We believe that broad market acceptance of our security products is critical to our future success and our ability to generate revenues. Unfortunately, there can be no assurance that we will be successful in marketing our current product offerings or any new product offerings. Failure to achieve broad market acceptance of our security products, as a result of competition, technological change, or otherwise, would significantly harm our business.

There can be no assurance that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis, if and when it is need, we will be forced to scale down or perhaps even cease the operation of our business.

#### NEW ACCOUNTING PRONOUNCEMENTS

In January 2003, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 46 ("FIN No. 46"), "Consolidation of Variable Interest Entities, an Interpretation of ARB 51." FIN No. 46 was effective for all variable interest entities ("VIEs") created or acquired after January 31, 2003. The primary objectives of FIN No. 46 are to provide guidance on the identification of entities for which control is achieved through means other than voting rights and how to determine when and which business enterprises should consolidate the VIE. This new model for consolidation applies to an entity for which either: (1) the equity investors do not have a controlling financial interest; or (2) the equity investment at risk is insufficient to finance that entity's activities without receiving additional subordinated financial support from other parties. In addition, FIN No. 46 requires that both the primary beneficiary and all other enterprises with a significant variable interest in a VIE make additional disclosures. As amended in December 2003, the effective dates of FIN No. 46 for public entities that are small business issuers, as defined ("SBI"), are as follows: (a) For interests in special-purpose entities: periods ended after December 15, 2003; and (b) For all other VIEs: periods ending after December 15, 2004. The December 2003 amendment of FIN

No. 46 also includes transition provisions that govern how an SBI which previously adopted the pronouncement (as it was originally issued) must account for consolidated VIEs.

The implementation of this new standard is not expected to have a material effect on our consolidated financial statements.

On May 15, 2003, the FASB issued Statement of Financial Accounting Standard ("SFAS") No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". SFAS No. 150 changes the accounting for certain financial instruments that, under previous guidance, could be classified as equity or



"mezzanine" equity, by now requiring those instruments to be classified as liabilities (or assets in some circumstances) in the statement of financial position. Further, SFAS No. 150 requires disclosure regarding the terms of those instruments and settlement alternatives. SFAS No. 150 affects an entity's classification of the following freestanding instruments: a) Mandatorily redeemable instruments b) Financial instruments to repurchase an entity's own equity instruments c) Financial instruments embodying obligations that the issuer must or could choose to settle by issuing a variable number of its shares or other equity instruments based solely on (i) a fixed monetary amount known at inception or (ii) something other than changes in its own equity instruments d) SFAS No. 150 does not apply to features embedded in a financial instrument that is not a derivative in its entirety. The guidance in SFAS No. 150 is generally effective for all financial instruments entered into or modified after May 31, 2003, and is otherwise effective at the beginning of the first interim period beginning after June 15, 2003.

The implementation of this new standard did not have a material effect on our consolidated financial statements.

#### APPLICATION OF CRITICAL ACCOUNTING POLICIES

Our financial statements have been prepared on a going concern basis. We have accumulated a deficit of \$4,815,464 from the inception of Bulldog BC to May 31, 2004. Our ability to continue as a going concern is dependent upon our ability to generate profitable operations in the future and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. The outcome of these matters cannot be predicted with any certainty at this time. We have historically satisfied our working capital needs primarily by issuing equity securities and at May 31, 2004 we had a working capital of \$4,034,501, largely as a result of completing a private placement in April 2004 which raised aggregate gross proceeds of \$4,994,115. Management plans to continue to provide for our capital needs by issuing equity securities. These financial statements do not include any adjustments to the amount and classification of assets and liabilities that may be necessary should we be unable to continue as a going concern.

#### Principles of consolidation

The Financial Statements include the accounts of Bulldog Technologies (BC) Inc., a company incorporated under the laws of the Province of British Columbia Canada, Bulldog Technologies Inc. incorporated pursuant to Articles of Merger dated November 10, 2003 pursuant to the laws of the State of Nevada, wherein Northward Ventures Inc. ("Northward") and Bulldog Technologies Inc. merged. In November 2003, we closed an agreement with the stockholders of Bulldog BC and Bulldog Nevada (companies under common control) whereby we acquired the issued and outstanding shares of Bulldog BC and Bulldog Nevada on a one for one basis in exchange for 710,000 and 9,081,500 shares of our common stock, respectively.

The acquisition was accounted for using the purchase method of accounting as applicable to reverse acquisitions because the former stockholders of Bulldog BC and Bulldog Nevada controlled approximately 49% of our common stock immediately upon conclusion of the transaction (including the private placement completed in connection with this transaction), a representative of Bulldog BC and Bulldog Nevada is now one of our directors and our sole officer and the continuing business is that of Bulldog BC and Bulldog Nevada. Under reverse acquisition accounting, the post-acquisition entity is accounted for as a recapitalization of Bulldog BC and Bulldog Nevada. The value assigned to our common stock was \$796.

In accordance with provisions governing the accounting for reverse acquisitions, the figures presented in our consolidated financial statements as at August 31, 2003 and for the three and nine month period ended May 31, 2004 are those of Bulldog BC and Bulldog Nevada, combined.

#### Research and development

All costs pertaining to research and development are charged to expense as incurred.

#### Stock Compensation

We have previously engaged in a number of transactions where we have used our common stock as consideration for services or in settlement of debt and payables. In such situations, the value attributable to the service or debt settlement is largely determined based on the quoted market price of our common stock around the respective agreement dates.

#### Interim reporting

The accompanying unaudited consolidated interim financial statements have been prepared by us in accordance with the rules and regulations of Regulation S-B as promulgated by the Securities and Exchange Commission. In the opinion of management, the accompanying unaudited consolidated interim financial statements contain all adjustments necessary (consisting of normal recurring accruals) to present fairly the financial information contained therein. The accompanying unaudited interim consolidated financial statements do not include all disclosures required by generally accepted accounting principles in the United States of America. The results of operations for the three- and nine-month periods ended May 31, 2004, are not necessarily indicative of the results to be expected for the year ending August 31, 2004. These unaudited statements should be read in conjunction with the Audited Financial Statements of Bulldog Nevada and Bulldog BC which were filed under form 8K/A dated November 24 2003 and the 10-KSB filed October 24 2003.

#### RISK FACTORS

Much of the information included in this quarterly report includes or is based upon estimates, projections or other "forward-looking statements". Such forward-looking statements include any projections or estimates made by us and our management in connection with our business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other "forward-looking statements" involve various risks and uncertainties as outlined below. We caution readers of this quarterly report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other "forward-looking statements". In evaluating us, our business and any investment in our business, readers should carefully consider the following factors.

Our new business operations will be subject to a number of risks and uncertainties, including those set forth below:

We have had negative cash flows from operations. Our business operations may fail if our actual cash requirements exceed our estimates, and we are not able to obtain further financing.

Our company has had negative cash flows from operations as we have not yet commenced the sale of our products. To date, we have incurred significant expenses in product development and administration in order to ready our products for market. Our business plan calls for additional significant expenses necessary to bring the Bulldog Online Security Systems (our primary product line described below) to market. We have estimated that we will require approximately \$4.69 million to carry out our business plan during the period ending May 31, 2005. On April 13, 2004, we completed a private placement for net proceeds of \$4,694,468 which we believe will be

sufficient to satisfy our cash requirements during this period. However, there is no assurance that actual cash requirements will not exceed our estimates, in which case we will require additional financing to bring our products into commercial operation, finance working capital and pay for operating expenses and capital requirements until we achieve a positive cash flow. In particular, additional capital may be required in the event that:

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

We may not be able to obtain additional equity or debt financing on acceptable terms if and when we need it. Even if financing is available it may not be available on terms that are favourable to us or in sufficient amounts to satisfy our requirements. If we require, but are unable to obtain, additional financing in the future, we may be unable to implement our business plan and our growth strategies, respond to changing business or economic conditions, withstand adverse operating results, and compete effectively. More importantly, if we are unable to raise further financing when required, our continued operations may have to be scaled down or even ceased and our ability to generate revenues would be negatively affected.

A decline in the price of our common stock could affect our ability to raise further working capital and adversely impact our operations.

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise capital. Because our operations have been primarily financed through the sale of equity securities, a decline in the price of our common stock could be especially detrimental to our liquidity and our continued operations. Any reduction in our ability to raise equity capital in the future would force us to reallocate funds from other planned uses and would have a significant negative effect on our business plans and operations, including our ability to develop new products and continue our current operations. If the stock price declines, there can be no assurance that we can raise additional capital or generate funds from operations sufficient to meet our obligations.

If we issue additional shares in the future this may result in dilution to our existing stockholders.

Our Certificate of Incorporation authorizes the issuance of 100,000,000 shares of common stock and 10,000,000 shares of preferred stock. Our board of directors has the authority to issue additional shares up to the authorized capital stated in the certificate of incorporation. Our board of directors may choose to issue some or all of such shares to acquire one or more businesses or to provide additional financing in the future. The issuance of any such shares may result in a reduction of the book value or market price of the outstanding shares of our common stock. It will also cause a reduction in the proportionate ownership and voting power of all other stockholders. Further, any such issuance may result in a change of control of our corporation.

There is a high risk of business failure due to the fact that we have not commenced commercial operations.

Although we are in the initial stages of production of the Bulldog Online Security Systems, there is no assurance that we will be able to successfully develop sales of our systems. Thus we have no way of evaluating whether we will be able to operate the business successfully, and there is no assurance that we will be able to achieve profitable operations.

Potential investors should be aware of the difficulties normally encountered in developing and commercializing new industrial products and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the commercialization process that we plan to undertake. These potential problems include, but are not limited to,

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unanticipated problems relating to development, manufacture and financing of the Bulldog Online Security Systems products. If we are unsuccessful in addressing these risks, our business will most likely fail.

We have a history of losses and negative cash flows, which is likely to continue unless our products gain sufficient market acceptance to generate a commercially viable level of sales.

Since inception through May 31, 2004, we have incurred aggregate net losses of \$4,815,464 (including a net loss for the nine months ended May 31, 2004 of \$3,222,067), and we had working capital surplus of \$4,034,501 as at May 31, 2004. For the fiscal year ended August 31, 2003, Bulldog Nevada had a net loss from operations of \$157,043 and Bulldog BC had a net loss from operations of \$155,797. We also incurred losses from operations for each of the years ended August 31, 2002 and 2001. There is no assurance that we will operate profitably or will generate positive cash flow in the future. In addition, our operating results in the future may be subject to significant fluctuations due to many factors not within our control, such as market acceptance of our products, the unpredictability of when customers will order products, the size of customers' orders, the demand for our products, and the level of competition and general economic conditions.

Although we anticipate that we will be able to start generating revenues during the next 12 months, we also expect an increase in development and operating costs. Consequently, we expect to incur operating losses and net cash outflow unless and until our existing products, and/or any new products that we may develop, gain market acceptance sufficient to generate a commercially viable and sustainable level of sales.

In their reports on the annual consolidated financial statements of Bulldog Nevada for the year ended August 31, 2003 and the financial statements of Bulldog BC Inc. for the year ended August 31, 2003, our former independent auditors included explanatory paragraphs regarding concerns about our ability to continue as a going concern. This was due to the uncertainty of our ability at the time to meet our current operating and capital expenses. As a result of the completion of the private placement in April 2004, we believe we now have sufficient funds to satisfy our estimated cash requirements for the period ending May 31, 2005. However, there is no assurance that actual cash requirements will not exceed our estimates, in which case we will require additional financing to bring our products into commercial operation, finance working capital and pay for operating expenses and capital requirements until we achieve a positive cash flow.

Unless we can establish significant sales of our current products, our potential revenues may be significantly reduced.

We expect that a substantial portion, if not all, of our future revenue will be derived from the sale of our security products. We expect that these product offerings and their extensions and derivatives will account for a majority, if not all, of our revenue for the foreseeable future. The successful introduction and broad market acceptance of our security products - as well as the development, introduction and market acceptance of any future enhancements - are, therefore, critical to our future success and our ability to generate revenues. Unfortunately, there can be no assurance that we will be successful in marketing our current product offerings, or any new product offerings, applications or enhancements. Failure to achieve broad market acceptance of our security products, as a result of competition, technological change, or otherwise, would significantly harm our business.

Substantially all our assets and a majority of our directors and officers will be located outside the United States, with the result that it may be difficult for investors to enforce within the United States any judgments obtained against us or

any of our directors or officers.

Substantially all of our assets are located outside the United States and we do not currently maintain a permanent place of business within the United States. In addition, all of our directors and officers are nationals and/or residents of countries other than the United States, and all or a substantial portion of such persons' assets are located outside the United States. As a result, it may be difficult for investors to enforce within the United States any judgments obtained against us or our officers or directors, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Consequently, you may be effectively prevented from pursuing remedies under U.S. federal securities laws against our directors or officers.

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We operate in a highly competitive industry and our failure to compete effectively may adversely affect our ability to generate revenue

Although management is not aware of similar products which would compete directly with Bulldog Online Security Systems, it is anticipated that larger, better-financed companies will develop products similar or superior to the Bulldog Online Security Systems. Such competition will potentially affect our chances of achieving profitability, and ultimately adversely affect our ability to continue as a going concern.

We could lose our competitive advantages if we are not able to protect any proprietary technology and intellectual property rights against infringement, and any related litigation could be time-consuming and costly.

Our success and ability to compete depends to a significant degree on our proprietary technology incorporated in our online security system. Other than filing a patent in the United States and registering the domain name [www.bulldog-tech.com](http://www.bulldog-tech.com), we have not taken any action to protect our proprietary technology and proprietary computer software. If any of our competitors copies or otherwise gains access to our proprietary technology or software or develops similar technologies independently, we would not be able to compete as effectively.

We also consider our trademarks invaluable to our ability to continue to develop and maintain the goodwill and recognition associated with our brand. We are planning to register the trademarks "Bulldog," "Road BOSS" and "Yard BOSS" in Canada and in the United States. These and any other measures that we may take to protect our intellectual property rights, which presently are based upon a combination of copyright, trade secret and trademark laws, may not be adequate to prevent their unauthorised use.

Further, the laws of foreign countries may provide inadequate protection of such intellectual property rights. We may need to bring legal claims to enforce or protect such intellectual property rights. Any litigation, whether successful or unsuccessful, could result in substantial costs and diversions of resources. In addition, notwithstanding any rights we have secured in our intellectual property, other persons may bring claims against us that we have infringed on their intellectual property rights, including claims based upon the content we license from third parties or claims that our intellectual property right interests are not valid. Any claims against us, with or without merit, could be time consuming and costly to defend or litigate, divert our attention and resources, result in the loss of goodwill associated with our service marks or require us to make changes to our website or other of our technologies.

Our services may become obsolete and unmarketable if we are unable to respond adequately to rapidly changing technology and customer demands.

Our industry is characterized by rapid changes in technology and customer demands. As a result, our products may quickly become obsolete and unmarketable. Our future success will depend on our ability to adapt to technological

advances, anticipate customer demands, develop new products and enhance our current products on a timely and cost-effective basis. Further, our products must remain competitive with those of other companies with substantially greater resources. We may experience technical or other difficulties that could delay or prevent the development, introduction or marketing of new products or enhanced versions of existing products. Also, we may not be able to adapt new or enhanced services to emerging industry standards, and our new products may not be favourably received.

If we fail to effectively manage our growth our future business results could be harmed and our managerial and operational resources may be strained.

As we proceed with the commercialization of our products, we expect to experience significant and rapid growth in the scope and complexity of our business. We will need to add staff to market our services, manage operations, handle sales and marketing efforts and perform finance and accounting functions. We will be required to hire a broad range of additional personnel in order to successfully advance our operations. This growth is likely to place a strain on our management and operational resources. The failure to develop and implement effective systems, or to hire and retain sufficient personnel for the performance of all of the functions necessary to effectively service and

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manage our potential business, or the failure to manage growth effectively, could have a materially adverse effect on our business and financial condition.

Trading on the OTC Bulletin Board may be volatile and sporadic, which could depress the market price of our common stock and make it difficult for our stockholders to resell their shares.

Our common stock is quoted on the OTC Bulletin Board service of the National Association of Securities Dealers. Trading in stock quoted on the OTC Bulletin Board is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with the company's operations or business prospects. This volatility could depress the market price of our common stock for reasons unrelated to operating performance. Moreover, the OTC Bulletin Board is not a stock exchange, and trading of securities on the OTC Bulletin Board is often more sporadic than the trading of securities listed on a quotation system like Nasdaq or a stock exchange like Amex. Accordingly, shareholders may have difficulty reselling any of the shares.

Trading of our stock may be restricted by the SEC's penny stock regulations, which may limit a stockholder's ability to buy and sell our stock.

The Securities and Exchange Commission has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of \$5,000,000 or individuals with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the

broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

NASD sales practice requirements may also limit a stockholder's ability to buy and sell our stock.

In addition to the "penny stock" rules described above, the NASD (National Association of Securities Dealers Inc.) has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, the NASD believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. The NASD requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for its shares.

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### Item 3. Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, we have carried out an evaluation of the effectiveness of the design and operation of our company's disclosure controls and procedures as of the end of the period covered by this quarterly report, being May 31, 2004. This evaluation was carried out under the supervision and with the participation of our company's management, including our company's president and chief executive officer and our chief financial officer. Based upon that evaluation, our president and chief executive officer and our chief financial officer concluded that our company's disclosure controls and procedures are effective. There have been no significant changes in our company's internal controls or in other factors, which could significantly affect internal controls subsequent to the date we carried out our evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our company's reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our company's reports filed under the Exchange Act is accumulated and communicated to management, including our company's president and chief executive officer as appropriate, to allow timely decisions regarding required disclosure.

## Part II - OTHER INFORMATION

### Item 1. Legal Proceedings.

Other than as set forth below, we know of no material, active or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

On June 21, 2001, Reliability Engineering Associates Limited commenced a lawsuit in the Supreme Court of British Columbia (Vancouver Registry No. S013516) against Bulldog BC claiming CDN\$85,600 (for a design fee of CDN\$80,000 plus GST), \$12,198 (on account of delay costs), general damages, special damages, court ordered

interest and costs for services performed pursuant to a written agreement dated for reference October 30, 2000. On October 17, 2001, Bulldog BC filed a Statement of Defence and Counterclaim. Bulldog BC's defence alleges that the services were not performed or were performed negligently or inadequately and as a result no monies are owing to Reliability. We believe that there is no substantive merit to the claims made by Reliability and we intend to vigorously defend the action. Bulldog BC's counterclaim alleges that since Reliability did not provide the services contracted for, it should return 200,000 shares that Bulldog BC issued to Reliability in advance towards payment. Accordingly, Bulldog BC is seeking an order that Reliability return 200,000 shares of Bulldog BC's common stock or, alternatively, that the shares be cancelled; in the alternative, damages for breach of contract; costs and court ordered interest.

On February 4, 2004, SNJ Capital Ltd. commenced a lawsuit against our company, our subsidiary and John Cockburn. SNJ Capital is claiming that, pursuant to a contract that it entered into with our company, our subsidiary and John Cockburn on August 1, 2001, that it is entitled to a \$5,800 finders fee on certain monies raised by our company and 979,150 shares of our common stock in connection with the recent merger between Northward Ventures Inc. and Bulldog Technologies Inc. We believe that there is no substantive merit to the claims made by SNJ Capital. We have entered into a settlement agreement with SNJ Capital pursuant to which SNJ has agreed, inter alia, to release us and settle all claims relating to the agreement and dismiss the lawsuit on a without costs basis. We are in the process of finalizing the exchange of documents pursuant to the terms of the settlement agreement.

On March 5, 2004, we received a demand letter from counsel for Alexander Potter, a former employee of the Company. Mr. Potter is claiming that we owe him one month's salary (\$4,000) and 25,000 shares of our common stock. Mr. Potter subsequently commenced an action in the Supreme Court of British Columbia (Vancouver Registry No. S042131) claiming damages of \$155,587.50 for wrongful dismissal and general and special damages.

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We claim that Mr. Potter was a probationary employee when he was dismissed and accordingly has suffered no damages. It is too early in the proceedings to assess liability or damages.

We commenced an action in the Supreme Court of British Columbia (Vancouver Registry No. S042363) against Reidar Ostensen and Stargate Industries Ltd. An Appearance has been filed by Reidar Ostensen and Stargate Industries Ltd. but no Statement of Defence has been filed yet. We claim: (i) damages arising from the breach of an agreement made in or about February 2000 between Bulldog Nevada and Reidar Ostensen, whereby Reidar Ostensen promised, among other things, to provide certain services to Bulldog Nevada, including but not limited to serving as an officer and director of Bulldog Nevada, in exchange for receiving 150,000 shares of common stock of Bulldog Nevada; (ii) conversion of certain property belonging to Bulldog Nevada by Reidar Ostensen to his own use; and (iii) defamation.

Item 2. Changes in Securities.

Recent Sales of Unregistered Securities

On April 13, 2004, we issued 2,219,611 shares of our common stock and share purchase warrants to purchase up to 1,664,708 shares of our common stock for aggregate gross proceeds of \$4,994,125 to nine accredited investors. With respect to 554,902 of the share purchase warrants, they are exercisable at \$3.50 per share for a period of five years and with respect to 1,109,806 warrants they are exercisable at \$2.25 per share for the period ending the earlier of 14 months from the closing date or eight months from June 2, 2004. We issued the shares and warrants in a private transaction to nine accredited investors relying on Rule 506 of Regulation D and/or Section 4(2) of the Securities Act of 1933.

Item 3. Defaults Upon Senior Securities.



None.

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

None.

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

Reports of Form 8-K

On March 10, 2004, we filed a Form 8-K Current Report announcing that the Yard BOSS™ System has completed the final stages of production and is not ready for the market; that we signed a distributorship agreement with EMS technologies, Inc., whereby we will resell the EMS Packet Data Terminal (PDT-100) as par of an end-to-end total cargo security, tracking and messaging application; and that we entered into a Distribution Agreement with Nettel Incorporated located in Guayaquil, Ecuador to distribute the Bulldog line of BOSS™ security products in Ecuador.

On March 16, 2004, we filed a Form 8-K Current Report announcing the commercial release of the Bulldog Security Server software application designed for use with the Bulldog Yard BOSS™ System.

On March 23, 2004, we filed a Form 8-K Current Report announcing that we entered into a Distribution Agreement with Eurocomm Paging Inc. of El Paso, Texas, which does business as "Eurocomm de Mexico".

On March 29, 2004, we filed a Form 8-K Current Report announcing that the insurance underwriter, Royal & Sunalliance, has agreed to offer significant incentives for users of Bulldog's products.

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On April 13 2004, we filed a Form 8-K Current Report announcing that we entered into a Development Agreement and a Distribution Agreement with Energy Control Systems Corp.

On April 13, 2004, we filed a Form 8-K Current Report announcing that we engaged new auditors.

On April 14, 2004, we filed a Form 8-K Current Report announcing the closing of a equity private placement.

On April 28, 2004, we filed a Form 8-K Current Report announcing the formation and members of our Advisory Board.

On May 14, 2004, we filed a Form 8-K Current Report announcing a new partnership with the Ecuadorian branch of ACE Seguros S.A.

On May 26, 2004, we filed a Form 8-K Current Report announcing the release of our new Yard BOSS™ remote monitory sensor, the RB-210, which represents the second generation of remote monitoring sensor, and is expected to replace the RB-100 Yard BOSS™ by offering enhanced security features and increased functionality.

On May 28, 2004, we filed a Form 8-K Current Report announcing the release of our new Road BOSS™ Automatic Vehicle Location and Security application software.

Exhibits Required by Item 601 of Regulation S-B0

Exhibit Number/Description

(2) Plan of Acquisition

2.1 Agreement and Plan of Merger dated October 28, 2003 between Northward Ventures Inc., Bulldog Technologies Inc., a Nevada corporation, Bulldog Acquisition Corp. and John Cockburn (3)

2.2 Share Purchase Agreement dated October 28, 2003 between Northward Ventures Inc., Bulldog Technologies Inc., a British Columbia company, John Cockburn and the remaining shareholders of Bulldog Technologies Inc., a British Columbia company (3)

(3) Articles of Incorporation

3.1 Articles of Incorporation (1)

3.2 Bylaws (1)

3.3 Articles of Merger between Bulldog Acquisition Corp. and Northward Ventures, Inc. (5)

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(10) Material Contracts

10.1 Option Agreement dated July 29, 2002 (1)

10.2 Option amendment dated July 15, 2003 (2)

10.3 Export Finance Facility Agreement, dated July 10, 2001, between I Trade Finance Inc. and Bulldog Technologies Inc., a British Columbia company (4)

10.4 Agreement, dated June 11, 2001, between Ronald Cranfield, Bulldog Technologies Inc., a British Columbia company and John Cockburn (4)

10.5 Addendum, dated December 11, 2001, to Agreement, dated June 11, 2001, between Ronald Cranfield, Bulldog Technologies Inc., a British Columbia company and John Cockburn (4)

10.6 Subscription Agreement, dated November 7, 2003, between Antares Investment Ltd. and Northward Ventures, Inc. (4)

10.7 Investor Registration Rights Agreement, dated November 7, 2003, between Antares Investment Ltd. and Northward Ventures, Inc. (4)

10.8 Lease Agreement dated June 16, 2003, between Ace Fire Prevention Ltd. and Bulldog Technologies Inc., a British Columbia company (4)

10.9 Director Services Agreement, dated November 17, 2003, between Bulldog Technologies Inc. and Boo Jock Chong (5)

10.10 Director Services Agreement, dated November 17, 2003, between Bulldog Technologies Inc. and James McMillan (5)

10.11 Employment Agreement, dated November 17, 2003 between Bulldog Technologies Inc. and Samuel Raich (5)

10.12 Employment Agreement, dated December 1, 2003, between Bulldog Technologies Inc. and Alexander Potter (5)

10.13 Employment Agreement, dated December 24, 2003, between Bulldog Technologies Inc. and John Cockburn (5)

10.14 Subscription Agreement, dated December 23, 2003, between Bulldog Technologies Inc. and Greg Burnett (6)

10.15 Subscription Agreement, dated December 23, 2003, between Bulldog Technologies Inc. and Raymond Irvine (6)

10.16 Packet Data Terminal 100 Distribution Agreement, dated January 27, 2004 Bulldog Technologies Inc. and EMS Technologies Canada, Ltd. (6)

10.17 Distribution Agreement, dated March 3, 2004 between Bulldog Technologies Inc. and Nettel S.A. (6)

10.18 Distribution Agreement, dated March 20, 2004 between Bulldog Technologies Inc. and Energy Control Systems Corp. (7)

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10.19 Development Agreement, dated March 20, 2004 between Bulldog Technologies Inc. and Energy Control Systems Corp. (7)

10.20 Form of Securities Purchase Agreement with the following: (7)

Alexandra Global Master Fund Ltd.  
Otape Investments LLC  
AS Capital Partners, LLC  
SRG Capital, LLC  
Spectra Capital Management, LLC  
Basso Equity Opportunity Holding Fund Ltd.  
Basso Multi-Strategy Holding Fund Ltd.  
Truk Opportunity Fund, LLC  
F. Berdon Co. LP

10.21 Form of Registration Rights Agreement with the following: (7)

Alexandra Global Master Fund Ltd.  
Otape Investments LLC  
AS Capital Partners, LLC  
SRG Capital, LLC  
Spectra Capital Management, LLC  
Basso Equity Opportunity Holding Fund Ltd.  
Basso Multi-Strategy Holding Fund Ltd.  
Truk Opportunity F

10.22\* Amendment Agreement No. 1 dated May 1, 2004 between Bulldog Technologies Inc. and John Cockburn.

10.23\* Offer of Employment Agreement dated May 1, 2004 with Matthew S.K. Yoon.

10.24\* Assignment Agreement dated May 6, 2004 between Impact Capital Partners Limited, Pacificwave Partners Limited and Bulldog Technologies Inc.

10.25\* Employment Agreement dated May 10, 2004 between Bulldog Technologies Inc. and Robin Wald.

10.26\* Release and Settlement Agreement dated May 28, 2004 with Jerzy Babkowski.

(21) Subsidiaries of Bulldog Technologies Inc.

Bulldog Technologies Inc. (incorporated in British Columbia)

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**302 Certifications**

31.1\* Certification of Principal Executive Officer and Principal Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(32) 906 Certifications

32.1\* Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(1) Incorporated by reference from our Form SB-2 that was originally filed with the commission on September 28, 2002

(2) Previously submitted with our Annual Report on Form 10-KSB filed on October 24, 2003

(3) Previously submitted with our Current Report on Form 8-K filed on November 4, 2003

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(4) Previously submitted with our Current Report on Form 8-K filed on November 20, 2003, as amended on November 24, 2003

(5) Previously submitted with our Quarterly Report on Form 10-QSB filed on January 21, 2004.

(6) Previously submitted with our Quarterly Report on Form 10-QSB filed on April 19, 2004.

(7) Previously submitted with our SB-2 Registration Statement filed on May 27, 2004.

\*Filed herewith

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SIGNATURES

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Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ John Cockburn  
John Cockburn, President and Chief Executive Officer  
(Principal Executive Officer)  
Date: July 15, 2004

By: /s/ Matthew S.K. Yoon  
Matthew S.K. Yoon, Chief Financial Officer and Treasurer  
(Principal Financial Officer and Principal Accounting Officer)  
Date: July 15, 2004