Annual REPORT UNDER
FOR THE PERIOD ENDED June 30, 2010

Prom Resources, Inc.

(Exact name of small business issuer as specified in its charter)

FLORIDA
State or other jurisdiction
of incorporation or organization

65-0647122
I.R.S. Employer Identification No.

2875 S. Orange Avenue, #500

Orlando, FL 32806

(Address of principal executive offices)

(407) 956 8677
(Issuer's telephone number, including area code)

As of June 30, 2010, we had 8,418,197,564 shares of our common stock outstanding with no par value.

As of, June 30, 2010, we had 3,000,000 shares of our Preferred stock outstanding with a par value of $10.00 per share.

Our gross revenues for the year ended June 30, 2010 was $6,172,876

State the aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of a specified date within 60 days prior to the date of filing. The aggregate market value of the voting and non-voting common equity held by non-affiliates as of April 30, 2010 was approximately $4,400,000

.

Indicate the number of shares outstanding of each of the issuer's classes of Preferred Shares common equity, as of the latest practicable date: As of the date of this filing, the Company had 300,000 Preferred Stock with a par value of $10.00; and 8,418,197,564 shares of our no par value common stock outstanding.

Prom Resources, Inc.
TABLE OF CONTENTS
Annual REPORT ENDED June 30, 2010

TABLE OF CONTENTS

PART I

PART II

Part III

FORWARD-LOOKING STATEMENTS

The following discussion and analysis of our operations should be read in conjunction with our financial statement for the period ending June 30, 2010 and notes thereto. This report for the period ending June 30, 2010 contains “forward-looking statements”, within the meaning of such term in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual financial or operating results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Prom Resource, Inc., is referred to herein as “we”, “our”, “us”, “the company” or “Prom”. The words or phrases “would be”, “may allow”, “intends to”, “may likely”, “are expected to”, “may continue”, “is anticipated”, “estimate”, “project”, or similar expressions are intended to identify “forward-looking statements”. Such statements include those concerning our expected financial performance, our corporate strategy and operational plans. Actual results could differ materially from those projected in the forward-looking statements as a result of a number of risks and uncertainties, including: (a) (b) whether we are able to manage our planned growth efficiently, including whether our management will be able to identify, hire, train, retrain, motivate, and manage required personnel or that management will be able to manage and exploit existing and potential market opportunities successfully, and (c) whether we are able to generate sufficient revenues or obtain financing to sustain and grow our operations. We are in the early stage of building and expanding the company and have not generated sufficient revenues to maintain day to day operations.

Statements made herein are as of the date of the filing of this Year end June 30,2010. Unless otherwise required by applicable law, we do not undertake, and we specifically disclaim any obligation, to update any forward-looking statements to reflect occurrence, developments, unanticipated events or circumstances after the date of such statement.

ITEM 1. DESCRIPTION OF BUSINESS

HOW WE ARE ORGANIZED

Prom Resource, Inc. was incorporated in the state of Florida on February 26,1996 as Lifeline Benefits Group, Inc., subsequently change its name to American Benefits Group, Inc., and in October of 2006 change its name to Prom Resources Inc. From approximately November 1996 until June 30,1997,engage in Viatical Settlements. From June 30, 1997 to present managed the current business of Mining material bearing gems and metals such as gold bearing material. In 1997 the existing Directors resigned and the following happened.

- Jerry G. Mikolajczyk became our President, CEO and Director;
- Dror Moradov became our Vice President and director;
- We appointed different management to fill existing vacancies on our Board of Directors;
- In October of 2006 Dror Moradov Became President, CEO, CFO and Director
- We adopted a new corporate strategy, which is described below.

In February 27 1998, we affected a one (1) for three (3) forward stock split.
In July 3, 2007, we affected a one (1) for Two Hundred (200) reverse stock split.

Our wholly owned subsidiaries are:

- Madagascar Gold and Gems Limited, a corporation incorporated pursuant to the laws of the Democratic Republic of Ghana;

which provides gold mining and purchasing entity;

- Saowani development SARL., a corporation incorporated pursuant to the laws of the Democratic Republic of Madagascar;
- Stones and Wood Corporation SARL., a corporation incorporated pursuant to the laws of the Democratic Republic Madagascar;

BUSINESS ACTIVITIES

Beginning in June 1997, our corporate strategy has been to: Mine (a) raw materials and/or minerals and to purchase gold bearing material from third parties. In 2008, we acquired an inventory of gold bearing material. It was management decision to keep inventorying this material, until the price of gold increased.

In December 2005 management decided to concentrate on purchasing gold bearing material from various tribes in Madagascar and Ghana. The company kept certain Perimeters that are producing.

Going forward it is the intension of management to develop our Perimeters, and to acquire additional Perimeters which have good production as well as to continue to purchase gold bearing material.

Segment Reporting

The Company follows ASC 280, "Disclosures about Segments of an Enterprise and Related Information". ASC 280 requires that a business enterprise report a measure of segment profit or loss and certain specific revenue and expense items. Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

OUR REVENUE SEGMENTS

Our principal revenue segments consist of the following small mining properties that can be profitable mining operations and continue to purchase gold bearing material from the many tribes in Madagascar and Ghana.

We will attempt to develop an additional possible revenue segment through sales to the Jewelry Manufactures in Thailand, and Asia.

OUR PRINCIPAL PRODUCTS/SERVICES/DISTRIBUTION METHODS AND MARKETS

For the year ended June 30, 2010, approximately 100% of our revenues were derived from sales gold bearing material,

OUR CUSTOMERS

We market and intend to market gold bearing material to a wide array of consumers through our contacts in Asia and Europe do not expect to become dependent upon either a single or a few major customers for this aspect of our business.
We also intend to send some of the higher content gold material to a refinery and sell it to the refinery.

OUR BILLING PRACTICES

We require a deposit put into escrow and full payment in bank wire payment against delivery

COMPETITIVE BUSINESS CONDITIONS

We find that there are many sellers of small quantities of gold bearing material from the many tribes in both Madagascar and Ghana. Since we have dealt with these various tribes/villages for many years they prefer to deal with us.

The properties we mine we believe have sufficient reserves for the next five years.

SUPPLIERS

We pay cash to the majority of our suppliers.

PATENTS, TRADEMARKS AND LICENSES

We have no patents, trademarks or licenses regarding any aspects of our business.

REGULATORY MATTERS

Our business also involves use of principles of the company. We cannot predict the impact, if any, that future regulatory changes or developments may have on our business, financial condition, or results of operation. Changes in the regulatory environment relating to our industry may increase our costs or limit our ability to continue our buying program.

Our mining and purchase related business activities are governed by a variety of governmental laws and regulations, including import/export and tax laws in Thailand, Madagascar, Ghana and Europe. We are not aware of any additional legislation or proposed legislation, which would have a material effect upon our operations.

Risk Factors.

You should carefully consider the risks described below as well as other information provided to you in this document, including information in the section of this document entitled "Information Regarding Forward Looking Statements." The risks and uncertainties described below are not the only ones facing the Company. Additional risks and uncertainties not presently known to

our company or that we currently believe are immaterial may also impair our business operations. If any of the following risks actually occur, our business, financial condition or results of operations could be materially adversely affected, the value of our common stock could decline, and you may lose all or part of your investment.

EMPLOYEES

As of June 30, 2010, we had 15 employees, all of which are fulltime. Our full time employees are:

- Dror Moradov, our President, who directs our operations;
- Shyam H Vasnani, our COO and CFO, who is responsible for our buying program, 1 salesperson who conducts sales of our gold bearing material to jewelry manufacture;
- 13 employees who handle our overall mining and supervise contract labor and technology operations

We continued to have the same employees as of June 30, 2010.

RESEARCH AND DEVELOPMENT

During 2010 and 2009, no funds were expended on research and development

MATERIAL AGREEMENTS

We have no material agreements

ITEM 2. DESCRIPTION OF PROPERTY

we maintain a marketing office
2875 S. Orange Avenue, #500
Orlando, FL 32806

Real Property

We do not own any real property nor do we intend to own real property in the near future. All mining Perimeters are owned by the country were we mine and extract Gold bearing materials. we pay annual taxes and a royalty on material exported. We do not intend to renovate, improve or

develop real properties. We are not subject to any competitive conditions for real property and currently have no property to insure. We have no policy with respect to investment in real estate or interests in real estate, and no policy with respect to investments in real estate mortgages. Further, we have no policy with respect to investments in securities of, or interests in, persons primarily engaged in real estate activities

ITEM 3. LEGAL PROCEEDINGS

None of our Officers, Directors, or persons nominated for such positions or promoters or significant employees have been involved in legal proceedings that would be material to an evaluation of our management.

Part II

Item 1
. EQUITY TRANSACTIONS

(a)**Common Stock**

During 2009, the Officers and directors Purchase and other employees purchased 1,499,000,000 shares of the Company's common stock. The shares were valued at their fair market value at the date of the purchased.

No Common Stock were Purchase in 2010

(b) **Preferred Stock**

On or about January 17,2006, the Company amended the Articles of Incorporation to set forth the preferences, limitations, rights and terms of the Company's Redeemable Convertible Preferred Stock .
The Articles of Amendment to the Articles of Incorporation set forth the following preferences, limitations, rights, and terms:

<u>Preferences</u>

November 18,1997 Preferred will have priority over all of the Company's other stock previously issued as to rights of payment and distribution, including priority as to dividend or upon liquidation.

<u>Dividends</u>

Preferred stockholders will be entitled to receive dividends. Prior to dividends paid to the common shares.

Redemption

Preferred Stock can be redeemed at the Company's option for the purchase price of $70,000 of each Unit plus any accrued and unpaid dividends, upon 30 days prior written notice at any time. Preferred stock and the common stock underlying such Preferred Shares. The Company have duly honored all conversions and/or redemptions at the request of the shareholder of the Preferred Stock, and is not subject to any stop order suspending its effectiveness.

Voting

Each issued and outstanding share of the Preferred Stock will be entitled to vote the number of shares each could vote if the shares were fully converted at the date of issuance, regarding any and all matters presented to the Company's stockholders for their action or consideration (subject to adjustment whenever there shall occur a stock split, stock dividend, combination, recapitalization, reclassification or other similar event involving a change in the Series A Preferred). Except as provided by law or by the provisions establishing any other series of preferred stock, Preferred Stockholders and holders of any other outstanding preferred stock, shall vote together with the Common Stock holders as a single class. The Company will not amend, alter or repeal the preferences, special rights or other powers of the Series A Preferred so as to adversely affect that class of stock, without the written consent or affirmative vote of the holders of at least a majority of the then outstanding aggregate number of shares of such affected Preferred Stock.

Conversion

The number of shares of Common Stock a holder of Preferred Stock will be entitled to receive upon conversion will be determined by multiplying the Conversion Rate by the number of shares of Preferred Stock being converted at any time by the number of Series A Preferred shares held. In order to exercise a mandatory conversion, the Company must provide all Series A Preferred Stockholders notice of the conversion at least 30 days prior to the Conversion Date, such notice to include the number of shares to be converted and instructions for surrender of the certificate or certificates representing the Series A Preferred Stock.

There were no options outstanding in 2010, and there no were warrants outstanding as of June 30,2010.

In December 2004, the Financial Accounting Standards Board ("FASB") issued Statement No. 123(R). "Shares-Based Payment" ("SFAS 123(R)"), which replaced SFAS No. 123, "Accounting for Stock-Based Compensation," and superseded APB Opinion 25, "Accounting for Stock Issued to Employees." SFAS 123(R) requires that all share-based payments to employees be recognized in the financial statements based on their fair values on the date of grant. The Company currently uses the intrinsic value method to measure compensation expense for stock-based awards. On April 14, 2005, the SEC amended the compliance dates for SFAS 123(R), which extended the Company's required adoption date of SFAS 123R to its fiscal year ended June 30, 2010. Going forward, the impact of adoption will depend on the number of stock based awards granted in the period.

Item 2

DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Our Bylaws provide that we shall have a minimum of one (1) Director on the Board of Directors at any one time. Vacancies are filled by a majority vote of the remaining Directors then in office. The names and ages of the Company's Directors, Executive Officers, and key employees are as follows:

Name	Age	Position	Current Term Expires
Dror Moradov	47	Chairman, President, CEO	2011
Shyam H Vasnani	55	COO, CFO, Director	2011

Each of the Company's Directors is elected at the annual meeting of stockholders and serves until the next annual meeting and until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal. No Compensation is currently paid to Directors for their service on the Board, although the non-officer Directors are reimbursed for travel and other direct expenses in attending meetings of the Board.

Set forth below is a summary description of the business experience of each Director and Officer:

Mr. Dror Moradov has been the Company President, Chief Executive Officer and Chairman of the Board since June 2006.

From July 1997 to Present, Mr. Dror Moradov has been an Officer and Director of Prom Resources, Inc. (formally American Benefits Group, Inc.), a resource Mining firm with operations in Madagascar and head office located in Florida. From 1989 to Present, Mr. Dror Moradov is also self-employed in the field of finance, diamond and bullion trading, mining, green energy and other advanced technologies R&D startups.

Mr. Shyam H Vasnani, has been the Company's Director, COO and CFO since June 2008 to Present. From 1989 to 2009**,** Mr**.** Shyam H Vasnani was self-employed in the area of marketing.

Family Relationships

There are no family relationships among our Officers, Directors, or persons nominated for such positions.

We do not currently have a nominating committee or a compensation committee of the Board of Directors, nor any committees performing similar functions.

Our Audit Committee is currently composed of the following members: (a) Shyam H Vasnani (b Shyam H Vasnani. is our Audit Committee Chairperson and our Audit Committee Financial Expert.

Meetings of the Board of Directors

The Company held irregular meetings of our Board of Directors during the fiscal year ending June 30, 2010 as follows:

- July 20,2009
- August 15,2009
- November 17,2009
- May 20,2010

Item 3
. EXECUTIVE COMPENSATION

The following table sets forth certain information concerning compensation paid to or accrued for the benefit of our Officers and Directors.

Summary Compensation Table

				Annual Compensation	Long-Term Compensation			
		(1)	(2)	(3)	(4) Awards		Payouts	
Name and Principal Positions	Year	Salary (1)	Bonus (1)	Other Annual Compensation	Restricted Stock Award(s)	Securities Underlying Options	LTIP Payouts	All Other Compensation
Dror Moradov Director Chairman, President, CEO	2010	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Shyam H Vasnani, Director, COO, CFO	2010	0	0	0	0	0	0	0

(1) None of our Officers or Directors owned any unexercised options as of June 30, 2010. No options or stock appreciation rights were granted during such year or were outstanding at the end of the year 2009, and 2008 and.

Stock Option Grants in Last Fiscal Year and Outstanding:

We granted no options to our executive officers or directors during 2010 nor are there any options outstanding to our executive officers or directors.

RELATED PARTY TRANSACTIONS

Principal Stockholder Loans

Loan payable to stockholders consists of working capital loans to the Company from the chief executive officer and other stockholders. The loan bears no interest and the stockholders have indicated that they will not seek repayment prior to January 1, 2012. As of the June 30, 2010 the amount due to the chief executive officer, and majority stockholders was $7,593,618

If interest were to be charged on the above loans payable to stockholders it would be approximately $227,809, calculated at the rate of 3.5%(apr) on the total loans payable balance of $7,593,618.

Item. 4
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recent Accounting Pronouncements

Below is a listing of the most recent accounting pronouncements issued since through June 17, 2010. The Company has evaluated these pronouncements and their adoption has not had or is not expected to have a material impact on the Company's financial position, or statements.
In January 2010, the FASB issued Accounting Standards Update 2010-02, Consolidation (Topic 810): Accounting and Reporting for Decreases in Ownership of a Subsidiary. This amendment to Topic 810 clarifies, but does not change, the scope of current US GAAP. It clarifies the decrease in ownership provisions of Subtopic 810-10 and removes the potential conflict between guidance in that Subtopic and asset derecognition and gain or loss recognition guidance that may exist in other US GAAP. An entity will be required to follow the amended guidance beginning in the period that it first adopts FAS 160 (now included in Subtopic 810-10). For those entities that have already adopted FAS 160, the amendments are effective at the beginning of the first interim or annual reporting period ending on or after December 15, 2009. The amendments should be applied retrospectively to the first period that an entity adopted FAS 160.

In January 2010, the FASB issued Accounting Standards Update 2010-01, Equity (Topic 505): Accounting for Distributions to Shareholders with Components of Stock and Cash (A Consensus of the FASB Emerging Issues Task Force). This amendment to Topic 505 clarifies the stock portion of a distribution to shareholders that allows them to elect to receive cash or stock with a limit on the amount of cash that will be distributed is not a stock dividend for purposes of applying Topics 505 and 260. Effective for interim and annual periods ending on or after December 15, 2009, and would be applied on a retrospective basis.

In December 2009, the FASB issued Accounting Standards Update 2009-17, Consolidations (Topic 810): Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities. This Accounting Standards Update amends the FASB Accounting Standards Codification for Statement 167.

In December 2009, the FASB issued Accounting Standards Update 2009-16, Transfers and Servicing (Topic 860): Accounting for Transfers of Financial Assets. This Accounting Standards Update amends the FASB Accounting Standards Codification for Statement 166.

In October 2009, the FASB issued Accounting Standards Update 2009-15, Accounting for Own-Share Lending Arrangements in Contemplation of Convertible Debt Issuance or Other Financing. This Accounting Standards Update amends the FASB Accounting Standard Codification for EITF 09-1.

In October 2009, the FASB issued Accounting Standards Update 2009-14, Software (Topic 985): Certain Revenue Arrangements That Include Software Elements. This update changed the accounting model for revenue arrangements that include both tangible products and software elements. Effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15,2010. Early adoption is permitted.

In October 2009, the FASB issued Accounting Standards Update 2009-13, Revenue Recognition (Topic 605): Multiple-Deliverable Revenue Arrangements. This update addressed the accounting for multiple-deliverable arrangements to enable vendors to account for products or services (deliverables) separately rather than a combined unit and will be separated in more circumstances that under existing US GAAP. This amendment has eliminated that residual method of allocation. Effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is permitted.

In September 2009, the FASB issued Accounting Standards Update 2009-12, Fair Value Measurements and Disclosures (Topic 820): Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). This update provides amendments to Topic 820 for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent). It is effective for interim and annual periods ending after December 15, 2009. Early application is permitted in financial statements for earlier interim and annual periods that have not been issued.

In July 2009, the FASB ratified the consensus reached by EITF (Emerging Issues Task Force) issued EITF No. 09-1, (ASC Topic 470) "Accounting for Own-Share Lending Arrangements in Contemplation of Convertible Debt Issuance" ("EITF 09-1"). The provisions of EITF 09-1, clarifies the accounting treatment and disclosure of share-lending arrangements that are classified as equity in the financial statements of the share lender. An example of a share-lending arrangement is an agreement between the Company (share lender) and an investment bank (share borrower) which allows the investment bank to use the loaned shares to enter into equity derivative contracts with investors.

EITF 09-1 is effective for fiscal years that beginning on or after December 15, 2009 and requires retrospective application for all arrangements outstanding as of the beginning of fiscal years beginning on or after December 15,2009. Share-lending arrangements that have been terminated as a result of counterparty default prior to December 15, 2009, but for which the entity has not reached a final settlement as of December 15, 2009 are within the scope. Effective for share-lending arrangements entered into on or after the beginning of the first reporting period that begins on or after June 15, 2009.

NOTE 2 – PROPERTY AND EQUIPMENT

Fixed assets are comprised of the following:

	December 31, 2010	December 31, 2009
Rolling Equipment	$ 4,511,990	$ 4,093,451
Accumulated Depreciation	(225,599)	(81,461)
Net Equipment	$ 4,286,391	$ 4,011,990

Depreciation for equipment computed straight line over the estimated life of 5 years.

SUBMISSION of MATTERS to a VOTE of SECURITY HOLDERS

None. There were no matters submitted to a vote of our security holders in 2009.

ITEM 5. OTHER INFORMATION

MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND SMALL BUSINESS ISSUER PURCHASES OF EQUITY SECURITIES

Our Common Stock. Since October, 2006 our common stock has been quoted on the “Pink Sheets” under the symbol "PRMO”. The high and low information for each quarter of the two most recent fiscal years is presented below. The quotations are inter-dealer prices without adjustment for retail markups, markdowns or commissions and do not necessarily represent actual transactions. These prices may not necessarily be indicative of any reliable market value. On June 13, 2010 the last reported sale price of our Common Stock on the OTC was $0.0001 per share.

The following table summarizes the low and high prices for our Common Stock for each reporting quarter for the fiscal years ended June 10,2010 and 2009.

QUARTER	LOW	HIGH
2010 First Quarter	$0.0000	$0.0001
2010 Second Quarter	$0.0000	$0.0001
2010 Third Quarter	$0.0000	$0.0001
2010 Fourth Quarter	$0.0001	$0.0002
2009 First Quarter	$0.0000	$0.0001
2009 Second Quarter	$0.0001	$0.0002
2009 Third Quarter	$0.0001	$0.0002
2009Fourth Quarter	$0.0000	$0.0001

PENNY STOCK CONSIDERATIONS

Our shares of common stock are "penny stocks" as that term is generally defined in the Securities Exchange Act of 1934 as equity securities with a price of less than $5.00. Our shares are subject to rules that impose sales practice and disclosure requirements on broker-dealers who engage in certain transactions involving a penny stock.

Under the penny stock regulations, a broker-dealer selling a penny stock to anyone other than an established customer or "accredited investor" must make a special suitability determination regarding the purchaser and must receive the purchaser's written consent to the transaction prior to the sale, unless the broker-dealer is otherwise exempt. Generally, an individual with a net worth in excess of $1,000,000 or annual income exceeding $200,000 individually or $300,000 together with his or her spouse is considered an accredited investor.

In addition, under the penny stock regulations the broker-dealer is required to:

- Deliver, prior to any transaction involving a penny stock, a disclosure schedule prepared by the Securities and Exchange Commission relating to the penny stock market, unless the broker-dealer or the transaction is otherwise exempt;

- Disclose commission payable to the broker-dealer and its registered representatives and current bid and offer quotations for the securities;

- Send monthly statements disclosing recent price information pertaining to the penny stock held in a customer's account, the account's value and information regarding the limited market in penny stocks; and

- 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, prior to conducting any penny stock transaction in the customer's account.

Because of these regulations, broker-dealers may encounter difficulties in their attempt to sell shares of our common stock, which may affect the ability of shareholders to sell their shares in the secondary market and have the effect of reducing the level of trading activity in the secondary market. These additional sales practice and disclosure requirements could impede the sale of our securities. In addition, the liquidity for our securities may be adversely affected, with a corresponding decrease in the price of our securities. Our shares are subject to such penny stock rules and our shareholders will, in all likelihood, find it difficult to sell their securities.

HOLDERS

As of June 30, 2010, based upon records obtained from our transfer agent, we had 75 holders of record. The number of shareholders does not include an indeterminate number of shareholders whose shares are held by brokers in "street name." We currently have one class of common stock outstanding.

DIVIDENDS

We have not declared any cash dividends on our common stock since our inception and do not anticipate paying any dividends in the foreseeable future. We plan to retain any future earnings for use in our business operations. Any decisions as to future payment of dividends will depend on our earnings and financial position and such other factors as the Board of Directors deems relevant.

Voting

Each issued and outstanding share of the Preferred Stock will be entitled to vote the number of shares each could vote if the shares were fully converted at the date of issuance, regarding any and all matters presented to our stockholders for their action or consideration (subject to adjustment whenever there shall occur a stock split, stock dividend, combination, recapitalization, reclassification or other similar event involving a change in the Series A Preferred). Except as provided by law or by the provisions establishing any other series of preferred stock, Series A Preferred Stockholders and holders of any other outstanding preferred stock, shall vote together with the Common Stock holders as a single class. We will not amend, alter or repeal the preferences, special rights or other powers of the Series A Preferred so as to adversely affect that class of stock, without the written consent or affirmative vote of the holders of at least a majority of the then outstanding aggregate number of shares of such affected Series A Preferred Stock.

Conversion

The number of shares of Common Stock a holder of Series A Preferred will be entitled to receive upon conversion will be determined by multiplying the Conversion Rate (as defined in the Certificate of Amendment) by the number of shares of Series A Preferred being converted at any time.

Part III

ITEM 1. MANAGEMENT'S DISCUSSION and ANALYSIS

FORWARD-LOOKING STATEMENTS

The following discussion and analysis of our operations should be read in conjunction with our financial statement for the period ending June 30, 2020 and notes thereto. This report for the period ending June 30,2010 contains "forward-looking statements", within the meaning of such term in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual financial or operating results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Prom Resources, Inc., is referred to herein as "we", "our", "us", "the company" or "Prom". The words or phrases "would be", "may allow", "intends to", "may likely", "are expected to", "may continue", "is anticipated", "estimate", "project", or similar expressions are intended to identify "forward-looking statements". Such statements include those concerning our expected financial performance, our corporate strategy and operational plans. Actual results could differ materially from those projected in the forward-looking statements as a result of a number of risks and uncertainties, including: (a) intense competition in mining of gold bearing materials; (b) whether we are able to manage our planned growth efficiently, including whether our management will be able to identify, hire, train, retrain, motivate, and manage required personnel or that management will be able to manage and exploit existing and potential market opportunities successfully, and (c) whether we are able to generate sufficient revenues or obtain financing to sustain and grow our operations. We are in the early stage of building and expanding the company and have not generated sufficient revenues to maintain day to day operations.

Statements made herein are as of the date of the filing of this Year end June 30,2010. Unless otherwise required by applicable law, we do not undertake, and we specifically disclaim any obligation, to update any forward-looking statements to reflect occurrence, developments, unanticipated events or circumstances after the date of such statement.

OVERVIEW of OPERATIONS

This discussion relates to Prom Resources, Inc., and its Subsidiaries Madagascar Gold and Gems Limited, a corporation incorporated pursuant to the laws of the Democratic Republic of Ghana; which provides gold mining and purchasing entity; Saowani development SARL., a corporation incorporated pursuant to the laws of the Democratic Republic of Madagascar; Stones and Wood Corporation SARL., a corporation incorporated pursuant to the laws of the Democratic Republic Madagascar. The Management Discussion and Analysis (MD&A), period ended June 30, 2010, should be read in conjunction with notes to the financial statements.

Our principal products and services include mining metal bearing materials especially gold bearing material. We mainly Sell to Manufactures of Jewelry, and Refineries.

(ii) Our management continues to develop the company's Properties through the subsidiaries Madagascar Gold and Gems Limited, a corporation incorporated pursuant to the laws of the Democratic Republic of Ghana; which provides gold mining and purchasing entity; Saowani development SARL., a corporation incorporated pursuant to the laws of the Democratic Republic of Madagascar; Stones and Wood Corporation SARL., a corporation incorporated pursuant to the laws of the Democratic Republic Madagascar.

We have continued to rely on our Chief Executive Officer/major shareholders for capital to finance our operations. We remain heavily dependent upon our ability to receive financing. Our future operations are dependent upon continued financing from our Chief Executive Officer/major shareholders, obtain additional financing, and generate increased revenues. Should we fail to obtain financing through these means, we will be unable to continue our operations.

In 2010, we plan to raise additional funding from debt and equity transactions. Should we receive adequate funding, we intend to further develop and bring to market new and exciting Products. Additionally, assuming adequate funding, we plan to implement certain cost management practices and to increase our focus on business development. Our management has agreed to fund us for an additional two years beginning July 1, 2010.

RISKS AND UNCERTAINTIES

During the year ended June 30,2010 and June 30,2009 we had a net profits of $ 2,309,9388 and $ 489,631 respectively. We expect to continue to generate Profits and expect our revenues to continually increase. For these same periods, we had total revenues of $ 6,172,876 and $3,027,000, and operating expenses of 3,862,938 and $ 2,537,369 respectively. Management continues to look for other operations for Prom and/or its subsidiaries. There is no assurance we can increase our revenue sources and it is unlikely that we can lower our expenses in our present mode of operations There is no guarantee that all of the above will happen. For the ended June 30, 2010 we financed portions of our operations from $ 6,172,876 in revenue and
$ 2,803,987 from our Chief Executive Officer and other major shareholders, and $3,000,000 in the form of a purchase of 300,000 Preferred stock.

As June 30, 2010, we have only $678,623 of cash, which is insufficient to meet our operational goals and business plan. We have required, and will continue to require, substantial capital to fund our business operations.

We have no commitments, agreements or understandings regarding additional financing and we may be unable to obtain additional financing either on satisfactory terms or at all. We expect to
pursue additional financing through debt or equity financing. If additional funds are raised or acquisitions are made by issuing our equity securities there may be dilution to the equity securities of our existing shareholders. We may also incur debt or assume substantial indebtedness. Accordingly, the inability to obtain such financing could have a material adverse effect on our business, financial condition and results of operations. However, as noted above our management has agreed to provide us with the necessary funding for the next two years of operations.

MATERIAL CHANGES IN RESULTS OF OPERATIONS

The year ended June 30, 2010 compared with the year ended June 30, 2009
In 2006 we started to implement our business plan to mine and purchase gold bearing material, recognize that that was the best plan for the company. The company sold the emaining inventory of gem material and perimeters

REVENUES

Revenues for the year ended June 30, 2010 increased to $6,172,876 from $3,027,000 for the same period in 2009.

COST of Operations

Cost of operations is the direct cost related to mining and the purchase of gold bearing material. Cost of operations increased to $3,862,938 from $2,537,369 for the same period in 2009. The increase in cost of operations is attributable to Prom's increase in activity.

General and Administration

Employees live at the mine site and work the property. It has been determined that all costs are attributed to operating expenses.

NET Profit

For the year ended June 30, 2010 and June 30, 2009 net Profit from operations was $2,09,938 and $489,631 respectively. The increase in net profit is primarily attributable to the increase in activity and the increase of gold prices.

Profit PER SHARE

The Profit per share for the Year ended June 30, 2010 was $0.00 compared with the profit per share of $0.00 for the Year ended June 30, 2009

LIQUIDITY and CAPITAL RESOURCES AT MARCH 31, 2009

Net cash used in our investing, financing and operating activities for **the year** ended June 30, 2010 generated Positive cash flows of $2,565,537, compared to cash flows of $579,092 by all activities for the same period in 2009. In 2010,Cash flow used in operations was ($7,528,243), cash flow from financing was $5,603,987. In 2009 Cash flow used in operations was (6,900,527), cash flow from financing was $5,682,969. All our sales are paid in U.S. dollars.
Cash at June 30 2010, was $678,623 compared to $37,342 at June 30, 2009.

We have experienced modest profit from our operations in years ended Jun30, 2010 and 2009. For the **year** ended June 30, 2010 we incurred a net profit of $2,309,938 compared to the net profit of $489,631 in 2009. In addition, **the year** ended June 30, 2010 we had an accumulated deficit of $6,998,821 and stockholders' equity of $10,544,880 compared to **the year** ended June 30, 2009 accumulated deficit of $9,308,759 and stockholders' equity of $5,234,942. Our ability to continually turn a profit is contingent upon, but not exclusive to, our ability to expand our operations and to secure additional financing to fund said expansion. Although we are pursuing financing to expand our operations there are no assurances we will be successful in obtaining such financing. Our failure to secure financing will limit our growth and profit potential as well as our ability to stay in business.

ITEM 2. QUANTITATIVE and QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company’s business activities contain elements of risk. The current financial markets are volatile and could limit our organic growth.

ITEM 3. CONTROLS and PROCEDURES

Our management, with the participation of our principal executive and financial officer, evaluated the Company’s disclosure controls and procedures as at June 30, 2010. Based upon this evaluation the Company’s principal executive and financial officer concluded that the Company’s disclosure controls and procedures are effective as of that date to ensure the information required to be disclosed in the reports the Company file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. During the June 30, 2010 period covered by this report, there were no significant changes in the Company’s internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, these controls.

ITEM 4. Financial Statements

Condensed FINANCIAL STATEMENTS

Prom Resources, Inc.

(Development Company)
Condensed Balance Sheet
For the year ended June 30, 2010
(Unaudited)

Assets

	June 30 2010 (UNAUDITED)	June 30 2009 (UNAUDITED)
Current Assets		
Cash	$ 678,623	$ 37,342
Accounts Receivable	450,000	125,000
Refundable Taxes	0	125,000
Inventory	12,315,872	7,232,472
Total current assets	13,444,495	7,519,814
Other Assets		
Property and equipment, net	4,286,391	4,011,990
Prepaid taxes	603,625	728,625
	4,890,016	4,740,615
Total Assets	$ 18,334,511	$ 12,260,429

Liabilities and Stockholders' Equity (Deficiency)

Current Liabilities		
Accounts payable & accrued expenses	$ 0	$ 1,435,826
Notes Payable on Taxes	196,013	800,000
Total Current Liabilities	196,013	2,235,856
Long-term Liabilities		
Loans Payable - stockholders	7,593,618	4,789,631
Total Liabilities	7,789,631	7,025,487

Stockholders' Equity (deficiency)

Preferred Stock; $10.00 par value; authorized 10,000,000 shares, Issued and outstanding-2009,0.,2010,300,000	3,000,000	0
Common stock; no par value; authorized 10,500,000,000 shares, Issued and outstanding 2009 8,418,197,564,shares, 2010 8,418,197,564,shares	14,543,701	14,543,701
Retained earnings	(9,308,759)	(9,798,390)
Accumulated other comprehensive profit	2,309,938	489,631
Total Stockholders' equity	10,544,880	5,234,942
Total Liabilities & Stockholders' Deficiency	$ 18,334,511	$ 12,260,249

See the accompanying notes to the condensed financial statements

PROM RESOUCES, INC.
(Development Stage Company)
Condensed Statement of Operations and Comprehensive Income
For the Year Ended June 30, 2010
(Unaudited)

	June 30, 2010 (Unaudited)	June 30, 2009 (Unaudited)
Revenue	$ 6,172,876	$ 3,027,000
Operating Expenses		
Accounting	95,000	20,000
Camp Supplies	128,927	275,000
Communications	125,927	125,000
Depreciation	255,599	81,469
Engineering	162,920	200,000
Equipment Rentals	175,520	150,000
Export Tax and Related Expenses	893,200	300,000
Financing Costs	0	200,000
Fuel	600,125	300,000
Housing	100,000	120,000
Inventory Storage	100,000	8,000
Labour	450,000	350,000
Legal	19,000	33,000
Licensing	50,000	50,000
Maintenance	175,120	75,000
Office	62,000	62,000
Property Taxes (Perimeters)	138,400	32,400
Shipping Costs	200,000	20,000
Testing Supplies	107,000	70,000
Transfer Agent	4,200	33,000
Travel	20,000	32,500
Total Expenses	**3,862,938**	**2,537,369**
Net Profit	**$ 2,309,938**	**$ 489,631**

See the Accompanying Notes to the CONDENSED Financial Statements.

Weighted-average number of common shares outstanding – basic and diluted	**8,418,197,564**	**8,418,197,564**
	==============	**=============**
Net profit per common share–basic & dilute	**$ 0.0**	**$ 0.0**
	==============	**=============**

See the accompanying notes to the Condensed financial statements.

PROM RESOURCES, INC.

(Development Stage Company)
CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDING JUNE 30, 2010
(UNAUDITED)

	June 30 2010 Unaudited	June 30 2009 Unaudited
Cash flow from operating activities	$6,172,876	$3,027,000
Adjustments: Costs of Goods Sold	3,862,938	2,537,369
Add back Depreciation	255,599	81,461
Net cash provided from operating activities	2,565,537	579,092
Cash flows from investment activities	0	0
Purchase of equipment	(375,000)	0
Increase in Inventory	(5,083,400)	0
	(5,458,400)	0
Cash flows from financing activities		
Sale of Preferred Stock	3,000,000	0
Sale of Common Stock	0	893,338
Increase in Receivable's	(200,000)	168,235
Increase in loans payable to officers/shareholder	2,803,987	4,789,631
Net cash provided by financing activities	5,603,987	5,682,969
Net Increase in cash (decrease)	2,711,124	6,262,061
Net Cash used in reduction of Payables	2,069,843	6,900,527
CASH, BEGINNING OF THE YEAR	37,342	675,808
CASH END OF PERIOD	$678,623	$37,342
ACCUMULATED DEFICIT	$6,998,821	$9,308,759

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See the accompanying notes to the CONDENSED financial Statements.

PROM RESOURCES, INC.
STATEMENT OF
SAREHOLDERS EQUITY
For the Period ended June 30, 2010
(UNAUDITED)

	PREFERRED STOCK	STOCK AMOUNTS	COMMON SHARES	STOCK AMOUNT	RETAINED EARNINGS	ACCUMULATED DEFICIENT	Total SHAREHOLDERS EQUITY
BALANCE JULY 1, 2008	0	$0	2,268,197,615	$13,650,363	$	($9,798,390)	$3,851,973
COMMON STOCK FOR CASH			6,149,999,949	893,338			893,338
NET PROFIT FOR THE YEAR ENDING JUNE 30, 2009					489,631	489,631	489,631
BALANCE July 1, 2009	0	0	8,418,197,564	$14,543,701		($9,308,759)	$5,234,942
ISSUANCE OF PREFERRED STOCK FOR CASH	300,000	$3,000,000	-	-	-	-	$3,000,000
Net Profit					$2,309,938		$2,309,938
BALANCE July 1, 2010	300,000	$3,000,000	8,418,197,564	$14,543,701	$2,309,938	($9,308,759)	$10,554,880

See the Accompanying Notes to the CONDENSED Financial Statements.

ITEM 5. **Notes to Condensed financial Statements**

PROM RESOURCES, INC.

(Development Stage Company)

Notes To Condensed FINANCIAL STATEMENT

June 30, 2010

(UNAUDITED)

Organization and Summary of Significant Accounting Policies

FINANCIAL STATEMENTS

The consolidated balance sheet of Prom Resources, Inc. ("PRMO" or the "Company", "our", "us", or "we") as of June 30, 2010 and the related condensed statements of operations and cash flows for the period ended June 30, 2010 and 2009 have been prepared by the Company, without audit, pursuant to the rules and regulations of the as stated by the Pink Sheets". Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. In the opinion of the Board of Directors and management of the Company ("Management" or "Board of Directors"), the accompanying condensed financial statements include all adjustments (consisting of normal, recurring adjustments) necessary to summarize fairly the Company's financial position and results of operations. These financial statements should be read in conjunction and notes thereto included in the Company's Annual Report.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company evaluates performance based on operating earnings of the respective units, segregated into mined gold bearing ore and purchased gold material, sale of gold bearing material only accounted to June 30, 2010.

	2010	2009
	Bulk Gold Bearing Material	Bulk Gold Bearing Material
Sales	$ 6,172,876	$ 3,027,000
Operating Costs and Expenses:		
Cost of Sales	3,862,938	2,537,369
General and Administration	0	0
	2,309,938	489,631
Operating profit before other expenses and provision for income taxes	2,309,938	489,631

Other expenses	0	0
Profit before provision of income taxes	2,309,938	489,631
Provision for income taxes	0	0
Net profit	$ 2,309,938	$ 489,631

GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As reflected in the 2010 and 2009 financial statements, the Company has incurred Profit from continuing operations, sustained substantial cash outflows from operating activities, and has significant working capital and stockholders' deficiencies at June 30, 2010 and June 30, 2009. The same circumstances continued to June 30, 2010. The above factors show the Company's ability to continue as a going concern. The Company's continued existence depends on its ability to obtain additional equity and/or debt financing to fund its operations and ultimately to Continue to achieve profitable operations. During 2010, the Company plans to raise additional funding from debt and equity transactions. Should it receive adequate funding, the Company intends to further develop and bring to market larger Quantities of Gold bearing material and increase its marketing strategy. Additionally, pending adequate funding, the Company plans to implement certain cost management practices and to increase the Company's focus on business development. The Company's management has agreed to provide the necessary funding for an additional two years.

Accounting Basis

The basis is accounting principles generally accepted in the United States of America. The Company has adopted a June 30 2010 fiscal year end. The Company is classified as a development stage

NEW ACCOUNTING STANDARDS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounts Receivable

The Company's accounts receivable are recorded net of the allowance for doubtful accounts of $-0- as of June 30, 2010

BASIS OF CONSOLIDATION

The condensed financial statements include the accounts of Prom Resources, Inc. and all wholly owned subsidiaries as listed above under Organization (collectively referred to as the "Company"). All significant inter-company transactions have been eliminated in consolidation.

INCOME TAXES

The Company provides for income taxes under ASC 740, Accounting for Income Taxes. ASC 740 requires the use of an asset and liability approach in accounting for income taxes. Deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax bases of assets and liabilities and the tax rates in effect when these differences are expected to reverse.

June 30,	2010	2009
Tax at federal statutory rate	(34%)	(34%)
Increase in valuation allowance	34	34
	-0-%	-0-%

Deferred income taxes have been provided for differences between financial statement and income tax reporting purposes, consisting primarily of a net operating loss carry forwards which expires through 2025. This deferred tax benefit has been reduced in full by a valuation allowance due to uncertainty regarding its ultimate utilization.

EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is computed by dividing income (loss) available to common stockholders by the weighted average number of common shares outstanding for the applicable period. Diluted earnings per share reflect, in periods in which they have a dilutive effect, the effect of common shares issuable upon the exercise of stock options and warrants. The difference between reported basic and diluted weighted average common shares results from the assumption that all dilutive stock options outstanding were exercised. For the periods presented, the effect of stock options and warrants has been excluded from the diluted calculation since their inclusion would be anti-dilutive.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires Management to make extensive use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

VALUATION of CREDIT RISK

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable. The Company places its cash with high quality financial institutions and limits the amount of credit exposure to any single financial institution or instrument. The funds are insured up to $250,000. As to accounts receivable, the Company performs credit evaluations of customers before sales are rendered we generally requires collateral.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

VALUATION of INVENTORY

Inventory is stated at the lower of cost, determined by the specific-identification method, or market. Inventory consists principally of purchased gold bearing material and mined gold bearing material.

VALUATION of PROPERTY, EQUIPMENT and DEPRECIATION

Property and equipment is recorded at cost. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis.

VALUATION of FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments, specifically loans payable – stockholders, cannot be estimated due to the nature and terms of this payable.

Impairment of Long-Lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows. If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell. The Company has determined that no impairment of any long term assets is required as of June 30,2010 and June 30, 2009.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 605. ASC 605 states that revenue is appropriately recognized when goods or services are delivered and accepted and collection is reasonably assured.

VALUATION of EARNINGS (LOSS) PER SHARE

The Company follows Statements of Financial Accounting Standards ("SFAS") No. 128, *Earnings per Share*. Basic (loss) per common share calculations are determined by dividing net income (loss) by the weighted-average number of shares of common stock outstanding during the time period. The effect of stock warrants has been excluded from the dilutive calculation as the impact of the stock warrants would be anti-dilutive.

VALUATION of COMPREHENSIVE LOSS

The Company adopted the provisions of SFAS No. 130, *Reporting Comprehensive Income,* which establishes standards for reporting and display of comprehensive income and its components in the financial statements.

The local currency (Canadian dollar) is the financial currency for two of the Company's consolidated subsidiaries. Assets and liabilities are translated using the exchange rate in effect at the balance sheet date. Income and expenses are translated at the average exchange rate for the year. Translation adjustments are reported as a separate component of stockholders' deficiency called *Accumulated Other Comprehensive Loss*.

VALUATION of STOCK-BASED COMPENSATION

The Company accounts for stock-based compensation in accordance with SFAS No. 123, *Accounting for Stock-Based Compensation*. The provisions of SFAS No. 123 allow companies to either expense the estimated fair value of stock options or to continue to follow the intrinsic value method set forth in Accounting Principles Board ("APB") Option No. 25, *Accounting for Stock Issued to Employees*, but disclose the pro forma effects on net income (loss) had the fair value of the options been expensed. The Company has elected to apply APB No. 25 in accounting for its stock option incentive plan for the year ended June 30, 2010.

The Company accounts for stock-based compensation in accordance with SFAS No. 123(R), *Accounting for Stock-Based Compensation*. The provisions of SFAS No. 123(R) require the Company to measure the cost of all employee stock-based compensation rewards that are expected to be exercised and which are granted based on the grant date fair value of these awards and to record that cost as compensation expense over the period during which the employee is required to perform service in exchange for the award (generally over the vesting period of the award).

VALUATION of INCOME TAXES

The Company applies the provisions of SFAS No. 109, *Accounting for Income Taxes*, for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statements and income tax basis of assets and liabilities using the enacted tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability in each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is recorded to reduce the deferred tax assets to the amount, if any, that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may rise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or noncurrent depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or noncurrent depending on the periods in which the temporary differences are expected to reverse.

VALUATION of CONTINGENCIES

The Company is subject to legal proceedings in the course of its daily operations from enforcement of its rights in disputes pursuant to the terms of various contractual arrangements. In this connection, the Company assesses the likelihood of any adverse judgment or outcome to these matters as well as a potential range of probable losses. A determination of the amount of reserve recorded, if any, for these contingencies is made after careful analysis of each individual issue. The required reserves may change in the future due to new developments in each matter or changes in approach, such as a change in settlement strategy in dealing with these matters.

VALUATION of REVENUE

The Company recognizes revenue in accordance with the Securities and Exchange Commission's Staff Accounting Bulletin No. 104 "Revenue Recognition" ("SAB 104"). Revenue related to merchandise sales is recognized at the time of sale reduced by a provision for returns. The provision for returns is based on historical evidence of the Company's return rate. To date this evidence of returns is negligible so no current provision has been made for returns. Revenue related to Web site sales is recognized on completion of the site and acceptance by the customer.

VALUATION of ACCOUNTS RECEIVABLE

Accounts receivable are reported as amounts expected to be collected, net of allowance for non-collection due to the financial position of customers. It is the Company's policy to regularly review the accounts receivable aging for specific accounts past due and set up an allowance when collection is uncertain.

In accordance with the requirements, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Dror Moradov

Dror Moradov, President,
Chief Executive Officer,
Date: November 28, 2010

By: /s/ Shyam H Vasnani

Shyam H Vasnani COO, CFO, Director
Date: July 13, 2010

CERTIFICATION ACCOMPANYING PERIODIC REPORT

I, Shyam H Vasnani, Chief Financial Officer, certify that:

1. I have reviewed this annual report of Prom Resources Inc.

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

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

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Registrant and have:

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

(b) Design such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal year (the Registrant's fourth fiscal quarter the case of an annual report) that has materially affected, or is reasonable likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the audit committee of the Registrant's board of directors (or persons performing the equivalent function):

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

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

By: /s/ Shyam H Vasnani

Shyam H Vasnani,
Chief Financial Officer
Date: November 23, 2010

3.1 Bylaws of Prom Resources, Inc., and Amendment*
3.1.1 Articles of Incorporation of Prom Resources, Inc., dated February 26, 1996*
3.1.2 Amendment to the Articles of Incorporation of Prom Resources, Inc., dated December 12, 1996*
3.1.3 Amendment to the Articles of Incorporation of Prom Resources, Inc., dated December 20, 1996*
3.1(i) Amendment to the Articles of Incorporation of Prom Resources, Inc., dated February 14, 1997**
3.1(ii) Amendment to the Articles of Incorporation of Prom Resources, Inc., dated November 17, 1997*
3.1(iii) Amendment to the Articles of Incorporation of Prom Resources, Inc., dated December 1,1997*
3.1(iv) Amendment to the Articles of Incorporation of Prom Resources, Inc., dated October 11,2006*
3.1(v) Amendment to the Articles of Incorporation of Prom Resources, Inc, dated July 5, 2007*
Amendment to the Articles of Incorporation of Prom Resources, Inc, dated July 7,2008*
Amendment to the Articles of Incorporation of Prom Resources, Inc, dated February 2,2009*
Amendment to the Articles of Incorporation of Prom Resources, Inc, dated November 3,2010*

* Denotes previously filed exhibits and incorporated herein by reference.