PROMINEX RESOURCE CORP.

FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED

JANUARY 31, 2011

(UNAUDITED – PREPARED BY MANAGEMENT)

RESTATED

AUGUST 25, 2011

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Website: http://www.prominex.ca
Prominex Resource Corp. trades on the TSX Venture Exchange under the symbol PXR

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NOTICE OF NO REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument Policy 51-102, Part 4, Subsection 4.3 (3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited financial statements of the company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for review of the interim financial statements by an entity's auditor.

"Gordon Barron"
President and Chief Executive Officer

PROMINEX RESOURCE CORP.

FINANCIAL STATEMENTS - January 31, 2011

UNAUDITED – PREPARED BY MANAGEMENT

STATEMENTS OF LOSS, COMPREHENSIVE LOSS, AND DEFICIT

	Restated Three Months Ended January 31		Nine Months Ended January 31	
	2011	**2010**	**2011**	**2010**
Revenue	**0**	0	**0**	
Interest revenue	**0**	0	**0**	1
	0	0	**0**	1
Expenses:				
Accounting, audit & Legal	**402**	5,908	**1,393**	38,278
Amortization	**0**	0	**0**	1,198
Bank charges & interest	**293**	435	**1,418**	1,306
Consulting Wages & benefits	**42,197**	29,000	**90,197**	29,000
Insurance	**0**	2,100	**0**	4,033
Office	**2,102**	1,732	**4,910**	2,925
Regulatory fees	**1,726**	2,500	**1,946**	5,582
Rent	**5,540**	6,132	**19,541**	11,532
Repairs	**0**		**1,285**	
Shareholder Information	**1,876**	2,935	**4,799**	4,051
Stock Based Compensation	**111,300**		**111,300**	
Telephone & Ans. Service	**723**	0	**1,791**	0
Transfer Agent & shareholder	**623**	569	**1,950**	2,336
Travel	**2,235**	888	**7,483**	934
	169,017	52,199	**248,013**	101,175
Loss from operations	**(169,017)**	(52,199)	**(248,013)**	(101,174)
Loss on sale of assets	**0**	0	**-0**	(4,355)
Loss before Income taxes	**(169,017)**	(52,199)	**(248,013)**	(105,529)
Deficit, beginning of period	**(8,876,390)**	(8,150,237)	**(8,797,394)**	(8,097,907)
Deficit, end of period	**(9,045,407)**	(8,202,436)	**(9,045,407)**	(8,203,436)
Loss per share, basic and diluted	**(0.003)**	(0.001)	**(0.005)**	(0.002)
Weighted average number of common shares outstanding, basic and diluted	**51,085,890**	45,425,890	**51,085,890**	45,425,890

See accompanying notes to the financial statements

BALANCE SHEETS

		Restated January 31 2011	April 30 2010
Assets			
Current			
Cash & Cash equivalents		21,815	67,568
Receivables		53,334	35,879
Prepaid expenses		2,944	-
		78,092	103,447
Mineral properties	(note 4)	1,670,032	1,658,246
		1,748,125	1,761,693
Liabilities			
Current			
Payables & accruals		527,635	$ 490,490
Due to related parties (note 6)			
Equity			
Share Capital	(note 7)	7,683,868	7,609,278
Contributed Surplus		2,582,019	2,459,319
Deficit		(9,045,407)	(8,797,394)
Total Equity		1,220,490	1,271,203
Liabilities and Equity		1,748,125	1,761,693

Going concern assumption (Note 1)

On behalf of the Board

"Gordon Barron"	*"Allan Innes"*
Director	Director

PROMINEX RESOURCE CORP.

FINANCIAL STATEMENTS – January 31, 2011

UNAUDITED – PREPARED BY MANAGEMENT

STATEMENT OF CASH FLOWS

	Restated Three Months Ended January 31		Restated Nine Months Ended January 31	
	2011	**2010**	**2011**	**2010**
Increase in cash and cash equivalents				
Operating				
Net loss	$ (169,017)	$ (52,199)	$ (248,013)	$ (105,527)
Amortization	-	0	0	1,198
Loss on sale of assets	-		0	4,355
	(169,017)	(52,199)	(248,013)	(99,974)
Change in non-cash working capital				
Receivables	(6,144)	(565)	(17,455)	(5,837)
Prepaid expenses	(2,944)	1,462	(2,944)	4,385
Payables and accruals	9,135	43,949	37,145	(16,074)
	47	44,846	16,746	(17,526)
Investing				
Mineral property expenditures	(11,786)	(3,832)	(11,786)	(6,952)
Reclamation bonds and other deposits	0	0	0	3,060
	(11,786)	(3,832)	(11,786)	(3,892)
Financing				
Issuance of common shares and warrants	88,000	0	88,000	114,750
Share issuance costs	(2,000)	0	(2,000)	0
Stock-based compensation	111,300		111,300	0
	197,300	0	197,300	114,750
Increase (decrease) in cash and cash equivalents	16,544	(11,185)	(45,753)	(6,642)
Cash and cash equivalents, beginning of period	5,271	11,901	67,568	7,358
Cash and cash equivalents, end of period	$ 21,815	$ 716	$ 21,815	$ 716

8. GOING CONCERN

The Company is a junior mining company primarily involved in the exploration and development of its natural resource licenses and on licenses jointly controlled with its joint venture partner and has not yet confirmed the existence of economically developable reserves.

The amounts shown as mineral properties represent net costs to date less any write-offs and do not necessarily represent present or future values. The Company is incorporated in the Province of British Columbia and is extra-provincially registered in Newfoundland and Labrador, Canada. On October 28, 2005, the Company changed its name from Sino Pacific Development Ltd. The Company is publicly traded on the TSX Venture Exchange under the symbol "PXR."

These financial statements have been prepared on a going concern basis, which assumes the realization of the company's assets and discharge of liabilities in the normal course of business. However, the Company has accumulated losses of $9.10 million to January 31, 2011, ($8.79 million to April 30, 2010), has accumulated a $449,453 working capital deficiency, and has no capital resources to advance its exploration and development programs. The Company has historically financed its activities principally by sale of equity securities and while it has been successful in the past there, can be no assurances it will be successful in the future. The recoverability of exploration costs is dependent upon the ability of the Company to obtain financing to fund and complete the development of such reserves or through the sale of the licenses, which cannot be assured.

These financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that may be necessary should the Company be unable to continue as a going concern. If the "going concern assumption" was not appropriate for these financial statements, then adjustment would be necessary in the carrying values of assets and liabilities, the reported revenue and expenses and the balance sheet classifications.

9. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, are expressed in Canadian currency, and include the accounts of the Company, along with the Company's share of the assets, liabilities, revenues, and expenses of an unincorporated joint venture.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

JOINT VENTURES

A portion of the Company's exploration activities is conducted jointly with others wherein the Company enters into agreements that provide for specified percentage interest in mineral properties. Expenditures on these properties are capitalized to mineral properties. Joint venture accounting, which reflects the Company's proportionate interest in mineral properties, is applied by the Company only when the parties enter into formal comprehensive agreements for ownership and mineral participation.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of deposits in banks and highly liquid investments with an original maturity of ninety days or less.

REVENUE RECOGNITION

Management fees are recognized in the period in which they are earned. The Company has not earned any revenue from its mineral properties.

EQUIPMENT

The following assets are recorded at cost and are amortized using the declining balance basis at the undernoted rates:

- Furniture and fixtures 20%
- Computer equipment 30% and 55%
- Vehicles 30%.

The carrying value of equipment is reviewed whenever events or circumstances indicate impairment in carrying value may have occurred. Should impairment be indicated, recoverable value is estimated by management based on future expected un-discounted cash flows from use or sale of the assets.

MINERAL PROPERTIES

The Company capitalizes all costs directly related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property acquisition costs and exploration and development expenditures, net of any recoveries. Costs are deferred until the properties to which they relate are placed into production, sold or management has determined there to be an impairment of the value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. Realization of the Company's investment in these assets is largely dependent on its ability to establish legal ownership, obtain adequate funding, the nature of the mineral deposit, the development work program, commodity prices, the satisfaction of ongoing governmental regulatory requirements, the management of environmental matters and the attainment of successful production or sufficient recovery from the sale of the mineral interests.

USE OF ESTIMATES AND MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include impairment of mineral interests, fair values of share based payments, share warrants and valuation allowances for future income tax assets, and expected rates for future income tax recoveries. The recoverability of mineral properties is a management estimate dependent upon a number of assumptions including further development of reserves and obtaining the necessary financing to fund the development which cannot be assured. Actual results could differ from these estimated amounts as future confirming events occur. By their nature, these estimates are subject to measurement uncertainty and could materially impact the financial statements.

STOCK BASED COMPENSATION

The Company accounts for stock-based compensation expense using the fair value method with respect to all stock based payments to directors, officers, employees, and non-employees. Under the fair value method, stock-based payments are measured at the fair value of the consideration received or the fair value of the equity instrument issued or liabilities incurred, whichever is more reliably measurable and are charged to operations over the vesting period. A corresponding offset is charged to contributed surplus. Upon the exercise of the stock options, consideration received, together with the amount previously recognized in contributed surplus is recorded as an increase to share capital. The Company uses the Black-Scholes option pricing model to estimate the fair value of the stock-based compensation.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

LOSS PER SHARE

Basic and diluted loss per share amounts is computed using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method to determine the dilutive effect of stock options and other dilutive instruments. Under the treasury stock method, only instruments with exercise amounts less than market prices impact the diluted calculations. In computing diluted loss per share, no shares were added to the weighted average number of common shares outstanding during the years ended April 30, 2010, and 2009, for the dilutive effect of employee stock options and warrants as they were all anti-dilutive. No adjustments were required to report loss from operations in computing diluted per share amounts.

INCOME TAXES

The Company accounts for income taxes using the asset and liability method. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess. Unused tax losses are recognized as assets to the extent that the amounts are more likely than not to be realized. The Company has not recognized the potential benefit of any unused tax losses.

ASSET RETIREMENT OBLIGATIONS

The Company will account for retirement obligations using CICA Section 3110, "Asset Retirement Obligations" when such obligations exist. This section establishes standards for recognizing statutory, contractual or other legal obligations related to the retirement of tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the accretion of discounted underlying future cash flows. The capitalized asset retirement costs are amortized to operations over the life of the asset. The Company currently does not have any asset retirement obligations.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

SHARE CAPITAL FLOW-THROUGH SHARES

From time to time the Company may finance a portion of its exploration and development activities through issuance of flow-through shares. Under the terms of the flow-through share agreements, the associated resource expenditure deductions for income tax purposes are renounced to investors in accordance with applicable income tax legislation. Upon renunciation to the shareholders, the Company provides for the future effect on income taxes related to flow through shares as a charge to share capital and future income tax liability. In instances where the Company has sufficient deductible temporary differences available to offset the renounced tax benefits, the realization of the deductible temporary differences will be credited to the income in the period of renunciation.

SHARE ISSUE COSTS

Share issue costs incurred on issue of the Company's shares are charged directly to share capital.

IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances indicating that the value of the assets may not be recoverable. Impaired assets are recorded at fair value, determined principally using discounted future cash flows expected from their use and eventual disposition. The Company has assessed that there is no impairment of its long lived assets in the nine month period ended January 31, 2011 (2010 - $ Nil).

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as held-to-maturity, available-for-sale, held-for-trading, loans and receivables, or other financial liabilities. Financial assets held-to maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income until the instrument is derecognized or impaired, when the amounts are then recorded in net earnings. Instruments classified as held-for-trading are measured at fair value with unrealized gains and losses recognized in the statement of loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

In accordance with the standard, the Company's financial assets and liabilities are generally classified and measured as follows:

Asset/Liability	**Classification**	**Measurement**
Cash and cash equivalents	Held for trading	Fair value
Receivables	Loans and receivables	Amortized cost
Payables and accruals	Other financial liabilities	Amortized cost

Other balance sheet accounts, such as equipment and mineral properties are not within the scope of the accounting standards as they are not financial instruments. There were no embedded derivatives in any contracts that require special accounting treatment.

CHANGES IN ACCOUNTING POLICIES

(i) Mining Exploration Costs

Effective May 1, 2009, the Company adopted EIC-174, "Mining Exploration Costs." This provides guidance on capitalization of exploration costs related to mining properties. It also provides guidance for development and exploration stage entities that cannot estimate future cash flows from its properties in assessing whether impairment in such properties is required. This EIC bulleting also provides additional discussion on recognition for long lived assets. EIC-174 is to be applied retrospectively without restatement of prior periods' interim and annual financial statements for periods ending on or after the date of issuance of EIC-174. The adoption of these standards had no material impact on the Company's Financial Statements.

(ii) Goodwill and Intangible Assets

In February 2008, the CICA issues Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". This provides a more specific guidance on the recognition of internally developed intangible assets and requires that research and development expenditures be evaluated against the same criteria as expenditures for intangible assets. This Section increases harmonization of Canadian standards with international financial reporting standards and applies to annual and interim financial statements beginning May 1, 2009. The adoption of this standard had no material impact on the Company's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

FUTURE CHANGES IN ACCOUNTING STANDARDS

(i) International Financial Reporting Standards (IFRS)

In January 2006, the Canadian Accounting Standards Board announced its decision requiring all publicly accountable entities to report under International Financial Reporting Standards. This decision establishes standards for financial reporting with increased clarity and consistency in the global marketplace. These standards are effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date for the Company will be May 1, 2011 and will require the restatement for comparative purposes of amounts reported for the year ended April 30, 2011. The impact of the transition to IFRS on the Company's financial statements is currently being evaluated.

(ii) Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-Controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the standard under IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections are applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning on or after January 1, 2011. The Company does not expect any potential impact on its financial statements.

10. JOINT VENTURES

The Company participates in an unincorporated joint venture with Buchans Minerals Corporation (TSX: V-BMC) formerly Royal Roads Corp. (TSX.V – RRO) relating to Tulks Hill Property, having earned a 51% interest and is the operator of the joint venture. Accordingly, the Company includes its share of assets, liabilities, revenues and expenses in the financial statements. There were no activities during the nine months ended January 31, 2011.

11. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. The Company's mineral properties are all located in Newfoundland and Labrador, Canada.

LAKE BOND

On December 28, 2006, the Company entered into an option agreement to acquire a 100% interest in a property known as Reid Lot 50, Lake Bond located in central Newfoundland. In order to acquire the 100% interest, the Company must expend $50,000.00 on exploration and development and maintain the mineral lease in good standing. The Company did receive an extension until October 2011 to complete the $50,000 in exploration expenditures. The property is subject to a Net Smelter Return royalty of 2%, of which the Company can purchase 1% for $1,000,000.

TULKS HILL

On December 15, 2005, the Company entered into an option agreement to acquire a 51% interest in a property known as Tulks Hill located in central Newfoundland. In November 2007, the Company earned a 51% interest by completing the requirements under the option agreement. The property is subject to Net Smelter Return royalties ranging from 2% to 2.25% on certain of the claims.

The following is a summary is from the NI 43-101 Technical Report on the Tulks Hill Cu-Zn Project, Newfoundland and Labrador, Canada, prepared for the Tulks Hill Joint Venture. Mr. Hrayr Agnerian, M.Sc. (Applied), P. Geo. of Scott Wilson RPA submitted the report on July 22, 2008.

"The T3 Lens of the Tulks Hill deposit contains some 431,000 tonnes of Indicated mineral resources at an average grade of 0.89% Cu, 3.97% Zn, 1.61% Pb, 35.09 g/t Ag and 1.17 g/t Au. The 1.1% CuEq cut-off grade is based on a minimum 2 m horizontal thickness of mineralization. The drilling by Prominex at Tulks Hill has confirmed the earlier results by Asarco Inc." "There is good potential for the discovery of additional Cu-Zn-Pb-Ag-Au mineralization northeast, southwest, and southeast of the T3 Lens and at other targets within Mineral Licence 10212M. These targets have geological and geophysical characteristics that are similar to the T3 Lens."

4. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (CONT'D)

T3 Lens – Mineral Resources above the Adit

			Grade				
Zone	**Category**	**Tonnes**	**% Cu**	**% Zn**	**% Pb**	**g/t Ag**	**g/t Au**
2	Indicated	290,000	0.91	5.03	2.00	38.81	1.24
3	Indicated	30,000	0.52	2.67	1.53	61.52	0.59
Total	**Indicated**	**320,000**	**0.87**	**4.81**	**1.96**	**40.94**	**1.18**

Mineral Resources below the Adit and Elsewhere

			Grade				
Zone	**Category**	**Tonnes**	**% Cu**	**% Zn**	**% Pb**	**g/t Ag**	**g/t Au**
1	Indicated	4,000	0.79	1.09	0.41	26.19	0.31
2	Indicated	44,000	0.76	1.77	0.56	19.53	2.76
3	Indicated	5,000	0.52	2.46	1.39	57.95	0.66
4	Indicated	58,000	1.12	1.42	0.60	15.09	0.06
Total	**Indicated**	**111,000**	**0.94**	**1.55**	**0.60**	**18.24**	**1.15**

The property is in good standing and requires no expenditures until 2013 when it must make an application for a mining lease and complete a legal survey of the property. The Company must conduct a property clean up at Tulks Hill. The estimated cost of cleanup is $25,000 and has been recorded in the financial statements.

A summary of mineral properties as at April 30, 2010 and January 31, 2011

	Tulks Hill Property	**Lake Bond Property**	**Total**
Balance, April 30, 2010	$1,604,274	$53,972	$1,658,246
Additions during period	898	$10,888	$11,786
Balance January 31, 2011	$1,605,172	$64,860	$1,670,032

5. DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS

During the period ending January 31, 2011, the Company entered into the following transactions with related parties.

a) Accrued fees for corporate and administration management of $39,000 due to officers and directors of the Company;

b) Accrued rent and office administration expenses of $4,114 to a director and officer of the Company.

These transactions were in the normal course of operations and are measured at the exchange value and at an amount of consideration established and agreed to by the related parties. These amounts owing are non-interest bearing and have no set terms of repayment.

6. CAPITAL STOCK

Authorized: Unlimited common shares, without par value

Issued and outstanding:

Common shares issued	51,085,890
Options outstanding	3,700,000
Warrants outstanding	5,660,000

The following summarizes the share transactions during the six months ended January 31, 2011

	Restated January 31, 2011		April 30, 2010	
	Number	**$**	**Number**	**$**
Balance, beginning of period	49,325,890	7,609,278	40,975,890	7,515,435
Issued for cash from:				
Private placements	1,760,000	88,000	8,350,000	306,250
Share issue costs		(2,000)		(6,875)
Share warrants		(11,900)		(205,532)
Balance at end of period	51,085,890	7,683,868	49,325,890	7,609,278

6. CAPITAL STOCK (CONT'D)

PRIVATE PLACEMENTS

The Company did complete a private placements during the three months ended January 31, 2011.

On November 11, 2010, the Company announced an offering of a non-brokered private placement of 5,000,000 units ("Units") at C$0.05 per unit. Each Unit will consist of one common share ("Common Share") and one full common share purchase warrant ("Warrant"). Each warrant will be exercisable at C$0.10 into one common share for a period of 12 months from Closing. The securities issued pursuant to the offering will be subject to a hold period of four-month plus one-day from date of issuance. The Company closed the private placement on January 18, 2011 for proceeds of $88,000 and the Company paid $2,000.00 in fees.

SHARE PURCHASE WARRANTS

As at January 31, 2011, the Company has outstanding share purchase warrants exercisable to acquire 5,660,000 common shares; (October 31, 2010 – 3,900,000).

Changes to the Number of Share Purchases Warrants Outstanding

	January 31, 2010		October 31, 2010	
	Number	**Weighted Average Exercise Price**	**Number**	**Weighted Average Exercise Price**
Beginning of period	3,900,000	0.10	20,190,000	0.11
Issued	1,760,000	0.10		
Expired	-	-	16,290,000	0.11
Balance end of period	5,660,000	0.10	3,900,000	0.10

The following table provides detailed information about warrants outstanding as at January 31, 2011:

Warrants Outstanding	Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life in Years
3,900,000	0.10	March 11, 2011	0.10
1,760,000	0.10	January 18, 2012	0.10

6. CAPITAL STOCK (CONT'D)

SHARE PURCHASE OPTIONS

The Company has adopted a formal stock option plan, which follows the TSX Venture Exchange ("TSX-V") policy under which it is authorized to grant options to directors and employees to acquire up to 10% of issued and outstanding common stock. Under the plan, the exercise price of each option equals the discounted market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years and options issued are subject to a vesting provision whereby 25% become exercisable every three months over a period of 12 months.

Outstanding Director Options at January 31, 2011 and October 31, 2010

	January 31, 2011			October 31, 2010		
	Number	Weighted Average Exercise Price	Weighted Average Remaining Life in Years	Number	Weighted Average Exercise Price	Weighted Average Remaining Life in Years
Outstanding, beginning of period	500,000	0.11	0.06	500,000	0.11	0.54
Issued during period	3,700,000	0.10	5.0	-	-	-
Expired during period	500,000	0.11	-	-	-	-
Outstanding, end of period	3,700,000	0.10	5.0	500,000	0.11	0.54

Outstanding Directors Options as of January 31, 2011

On November 10, 2010, all outstanding directors options granted under the Company's Stock Option Plan expired and were unexercised. On January 19, 2011, 3,700,000 share purchase options were granted to the officers and directors, or employees pursuant to the Company stock option plan. These options expire on January 19, 2016.

7. CONTRIBUTED SURPLUS

		Restated January 31, 2011		April 30, 2010
Balance – beginning of period	$	2,459,319	$	1,921,183
Stock based compensation		111,300		-
Private placements – warrants		11,900		205,532
Share warrants extension granted		0		332,604
Balance end of period	$	2,582,019	$	2,459,319

7. CONTRIBUTED SURPLUS (CONT'D)

The weighted average fair value of the private placement warrants issued during the period ended January 31, 2011 was (restated) $11,900. The fair value of these share warrants was estimated using the Black-Scholes option pricing model with the following weighted average assumptions.

	Restated January 2011 Placement
Expected dividend yield	-
Expected stock price volatility	104
Risk-free interest rate	1.29%
Expected warrant life in years	1.00

8. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its accumulated capital in order to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of capital and equity comprised of share capital, contributed surplus, and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended April 30, 2010.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's policy for managing significant risks includes policies, procedures, and oversight designed to reduce the risks identified to an appropriate threshold. The Board of Directors is provided with timely and relevant reports on the management of significant risks. Significant risk managed by the Company includes liquidity risk.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

(iii) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

(iv) Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management process.

CREDIT RISK

Credit risk is the risk of a financial loss to the Company, if, a counterparty to a financial instrument fails to meet its contractual obligation. The Company's receivables consist primarily of sales tax receivables due from federal government agencies.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to access the required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

PRICE RISK

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact of the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

10. FLOW-THROUGH PART XII.6 TAX, PENALTIES AND INDEMNIFICATION

Under the terms of the Company's flow-through share agreements, the Company was required to spend and renounce expenditures for exploration that are qualifying Canadian Exploration Expenditures ("CEE") as defined by the Income Tax Act Canada and has undertaken to warrant to shareholders that these expenditures qualify as CEE.

The Company has a provision for subscriber indemnification including $78,755 related to the shortfall in required expenditures related to a flow-through shares financing agreement.

11. COMPARATIVE FIGURES

Certain of the comparative figures have been restated to conform to the financial statement presentation adopted for the current year.

12. SUBSEQUENT EVENTS

On February 3, 2011 the Company announced the signing of a letter of agreement for a C$5,000,000.00, Equity Funding Facility with **Centurion Private Equity** an institutional investor managed by Roswell Capital Partners, LLC. Subject to executing mutually-acceptable definitive legal documentation for the transaction ("Closing Documents"), Centurion would commit to purchase up to C$5 million of the Company's Common Shares. The Funding Facility is subject to the Company obtaining a receipt for a final prospectus from the applicable Canadian securities commissions and the approval of the TSX Venture Exchange.

12. SUBSEQUENT EVENTS (CONT'D)

Under the Equity Funding Facility, Prominex may, during the 30 month term of the agreement and at its discretion, periodically sell to Centurion shares of Prominex's common stock at a price based upon a 6% discount to the market price (as defined in the Closing Document). Prominex intends to use the Facility to fund exploration of its mineral properties, and to support general corporate purposes.

In no event shall the number of shares issuable to the Investor under the Facility cause the aggregate number of Common Shares beneficially owned by the Investor and its affiliates to exceed 9.9% of the Company's then outstanding Common Shares. Moody Capital served as the Company's placement agent in connection with the financing arrangement and will receive a cash fee equal to 2% of the dollar amount of funding when received by the Company from the Investor.

On March 11, 2011, 3,900,000 unexercised share purchase warrants expired. The share purchase warrants were issued as part of the March 11, 2010 private placement.

13. RESTATED AMOUNTS

The restatement and amendment were required because of an error in the calculations of stock Option awards and the cost of share warrants using the Black Scholes Model. The original and restated amounts are:

	Original	**Restated**
Stock option awards	$162,000	$111,300
Share warrants	$ 79,000	$ 11,400
Loss for period ended	$219,717	$169,017
Deficit	$(9,096,107)	$(9,045,407)
Share capital	$7,616,278	$7,683,868
Contributed surplus	$2,700,319	$2,582,019