

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

FORM 10-QSB/A
(Amendment No.1)
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE
ACT OF 1934 FOR THE PERIOD ENDED June 30, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD From _____ to _____ .

Commission File Number 333-88480

PRIME RESOURCE, INC.
(Exact name of registrant as specified in its charter)

Utah 04-3648721

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

1245 East Brickyard Road, Suite 590
Salt Lake City, Utah 84106
(Address of principal executive officers)
(801) 433-2000
(Registrant's telephone number, including area code)

None
(Former name, former address and former fiscal year,
if changed since last report)

Securities registered pursuant to Section
12(b) of the Act:

None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant has required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 126-2 of the Exchange Act). Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock: 2,960,900 shares issued and 2,944,200 outstanding as of August 1, 2005, No Par Value. Authorized - 50,000,000 common voting shares.

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For The Quarter Ending June 30, 2005

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Part I - Financial Information

Item 1. Financial Statements

Prime Resources, Inc. and Subsidiaries
 Consolidated Balance Sheet (Unaudited)
 June 30, 2005 (Restated - note 5)

<TABLE>

<CAPTION>

ASSETS

Current assets:

<S>

<C>

Cash	\$	628,870
Accounts receivable		557,264
Interest receivable		23,333
Deferred tax assets		592
Trading securities		7,977
Note receivable		250,000

Total current assets		1,468,036

Leasehold improvements and equipment , net of accumulated depreciation and amortization of \$225,464		172,138
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Notes receivable		40,000
Deferred tax assets		37,233
Investment in non-trading securities		60,000
Other assets		13,093

Total assets	\$	1,790,500
		=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Accounts payable	\$	47,208
Accrued compensation, commissions and benefits		540,900
Notes payable, current portion		42,476
Income taxes payable		9,898

Total Current Liabilities		640,482
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Note payable, net of current portion		26,468
--------------------------------------	--	--------

Commitments and contingencies		-
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Stockholders' Equity

Common stock, no par value, 50,000,000 authorized shares; 2,960,900 shares issued and 2,944,200 outstanding		934,677
Treasury Stock		(82,058)
Retained Earnings		270,931

Total stockholder's equity	1,123,550

Total liabilities and stockholders' equity	\$ 1,790,500
	=====

</TABLE>

See notes to financial statements.

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Prime Resources, Inc. and Subsidiaries
Consolidated Statements of Operations (Unaudited)

30,	Six Months Ended June 30,		Three Months Ended June	
2004	2005	2004	2005	
-----	-----	-----	-----	-----
	(Restated - note 5)		(Restated - note 5)	
Revenues				
<S>	<C>	<C>	<C>	<C>
Commissions	\$ 3,172,566	\$ 2,345,234	\$ 1,721,975	\$
1,220,674				
Investment and business advisory fees	337,973	324,935	188,794	
173,750				
Interest and dividends	21,026	7,737	15,720	
3,933				

	3,531,565	2,677,906	1,926,489	
1,398,357				
Expenses				
Commissions	2,311,061	1,510,789	1,243,724	
794,173				
Compensation and benefits	806,034	633,667	456,931	
313,214				
General and administrative	242,927	212,314	119,927	
91,984				
Occupancy expense	20,432	56,285	10,409	
26,967				
Depreciation expense	75,142	23,943	38,005	
11,953				
Interest expense	1,913	1,758	595	
830				

	3,457,509	2,438,756	1,869,591	
1,239,121				

Net operating income	74,056	239,150	56,898	
159,236				

Gains and losses				
Unrealized gains/(loss) on trading securities	(3,989)	862	(854)	
(1,940)				
Other gains (losses)	(111)	-	(1,162)	
-				

Net gains (losses)	(4,100)	862	(2,016)	
(1,940)				

Net income (loss) before income taxes (benefits)	69,956	240,012	54,882	
157,296				
Income tax expense (benefit)	24,288	82,048	19,966	
64,716				

NET INCOME (LOSS)	\$ 45,668	\$ 157,964	\$ 34,916	\$

92,580				
=====	=====	=====	=====	
Weighted average shares outstanding 2,934,000	2,933,906	2,934,000	2,934,511	
Basic and fully diluted net income (loss) per share 0.03	\$ 0.02	\$ 0.05	\$ 0.01	\$

See notes to financial statements.

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Prime Resources, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity (Unaudited)

<TABLE>
<CAPTION>

	Common Stock		Treasury	Retained	Total
	Shares	Amount	Stock	Earnings (Deficit)	

<S> Balance at January 1, 2003 190,063	<C> 2,800,000	<C> \$ 197,763	<C> \$ -	\$ (7,700)	\$
Proceeds from common stock offering 709,664	150,000	709,664	-	-	
Treasury stock (77,755)	(16,000)	-	(77,755)	-	
Net income 101,851	-	-	-	101,851	

Balance at December 31, 2003 923,823	2,934,000	907,427	(77,755)	94,151	
Net income 131,112	-	-	-	131,112	

Balance at December 31, 2004 1,054,935	2,934,000	907,427	(77,755)	225,263	
Common Stock Issued for Services 27,250	10,900	27,250	-	-	
Treasury Stock 27,250	(700)	27,250	-	-	
Net Income - period ended June 30, 2004 45,668	-	-	-	45,668	

Balance at June 30, 2005 (Restated - note 5) 1,123,550	\$ 2,994,200	\$ 934,677	\$ (82,058)	\$ 270,931	\$
=====	=====	=====	=====	=====	

</TABLE>

See notes to financial statements.

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Prime Resources, Inc. and Subsidiaries
Consolidated Statements of Cash Flows (Unaudited)

<TABLE>

<CAPTION>

	Six Months Ended June 30, 2005		2004	
	-----		-----	
	(Restated - note 5)			
Cash Flows From Operating Activities:				
<S>	<C>		<C>	
Net Income	\$	45,668	\$	157,964
Adjustments to reconcile net income to net cash provided (used) by operating activities				
Depreciation and amortization		75,142		23,943
Change in deferred taxes		(9,610)		31,880
Realized (gains)		111		-
Unrealized (gains) losses on trading securities		3,989		(862)
Issuance of shares for services		27,250		-
Change in assets and liabilities:				
Accounts receivable		(123,050)		(50,829)
Interest receivable		(12,000)		(2,000)
Income tax receivable		9,770		33,354
Other assets		11		9,000
Accounts payable		6,517		25,277
Income tax payable		9,898		(15,373)
Accrued expenses		154,571		53,080
		-----		-----
Net cash provided by operating activities		188,267		265,434
Cash Flows from Investing Activities:				
Purchase of trading securities		(23,596)		(29,914)
Purchase of non-trading securities		(35,000)		-
Purchases of equipment		(84,377)		(20,121)
Treasury stock		(4,303)		-
Notes receivable		(250,000)		-
Proceeds from sales of trading securities		19,723		3,376
		-----		-----
Net cash used in investing activities		(377,553)		(46,659)
Cash Flows From Financing Activities:				
Payments on notes payable		(9,248)		(5,519)
		-----		-----
Net cash used in financing activities		(9,248)		(5,519)
		-----		-----
Net increase (decrease) in cash and cash equivalents		(198,534)		213,256
Cash and cash equivalents at beginning of period		827,404		399,403
		-----		-----
Cash and cash equivalents at end of period	\$	628,870	\$	612,659
		=====		=====
Supplemental Cash Flow Information:				
Cash paid for interest	\$	1,913	\$	928
Cash paid for taxes	\$	24,000	\$	58,100

</TABLE>

See notes to financial statements.

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Prime Resources, Inc. and Subsidiaries
Notes to Financial Statements (unaudited)
June 30, 2005

1. Presentation

The financial statements as of June 30, 2005 and 2004 and for the three and six months ended June 30, 2005 and 2004, were prepared by the Company without audit pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all necessary adjustments, which consist primarily of normal recurring adjustments, to the financial statements have been made to present fairly the financial position and results of operations and cash flows. The results of operations for the respective periods presented are not necessarily indicative of the results for the respective complete years. The Company has previously filed with the SEC an annual reports on Form 10-KSB which included audited financial statements for the two years ended December 31, 2004. It is suggested that the financial statements contained in this filing be read in conjunction with the statements and notes thereto contained in the Company's 10-KSB filing.

2. Net income per common share

Net income per common share is computed based on the weighted-average number of common shares and, as appropriate, dilutive common stock equivalents outstanding during the period. Stock options and warrants are considered to be common stock equivalents.

Basic net income per common share is the amount of net income for the period available to each share of common stock outstanding during the reporting period. Diluted net income per common share is the amount of net income for the period available to each share of common stock outstanding during the reporting period and to each share that would have been outstanding assuming the issuance of common shares for all dilutive potential common shares outstanding during the period.

No changes in the computation of diluted earnings per share amounts are presented since no potentially dilutive securities have been granted or issued.

3. Note receivable

The Company entered into a promissory note receivable by lending money to an unrelated entity in anticipation of a contemplated merger with that entity. The note is convertible into shares of that entity if the merger takes place. The note receivable bears interest at 8% and is due on demand on or after ninety days from the date of the agreement. Management anticipates the note is collectible and believes the fair value to be substantially equal to its carrying value based on the terms of repayment. If certain due diligence and performance factors are met then Prime may pursue an acquisition of the entity. In that instance the loan would be satisfied as then the loan would be with Prime itself. In the event that these factors are not met and the loan would be called there is certain intellectual property and guarantees from two founding shareholders of the private company beyond all other corporate assets to repay the loan. Prime may also consider conversion of the loan to equity in the private entity as a possible solution if a default occurs. In either event Prime feels it has sufficient liquid resources to properly finance its core business and provide for growth outside of the capital committed to this note.

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4. Segment information

The sector breakdown of revenues and profits by the two operating entities as well as the parent holding company for comparative quarters is generally summarized below:

FBA Analysts:

2nd Quarter 2005 Gross Revenues	\$	1,721,975
Net income before income taxes	\$	243,931
Income taxes	\$	(93,873)
Net income	\$	150,058
2nd Quarter 2004 Gross Revenues	\$	1,220,674
Net income before income taxes	\$	345,333
Income taxes	\$	(142,080)
Net income	\$	203,253

Belsen Getty:

2nd Quarter 2005 Gross Revenues	\$	188,794
Net income (loss) before income taxes	\$	(63,565)
Income taxes	\$	24,462
Net income (loss)	\$	(39,103)
2nd Quarter 2004 Gross Revenues	\$	173,750
Net income (loss) before income taxes	\$	(1,245)
Income taxes	\$	512
Net income (loss)	\$	(733)

Prime:

2nd Quarter 2005 Revenues	\$	15,720
Net income (loss) before income taxes	\$	(125,484)
Income taxes	\$	49,445
Net income (loss)	\$	(76,039)
2nd Quarter 2004 Revenues	\$	3,933
Net income (loss) before income taxes	\$	(186,792)
Income taxes	\$	76,852
Net income (loss)	\$	(109,940)

Totals:

2nd Quarter 2005 Gross Revenues	\$	1,926,489
Net income before income taxes	\$	54,882

Income taxes	\$	19,966
Net income	\$	34,916
2nd Quarter 2004 Gross Revenues	\$	1,398,357
Net income before income taxes	\$	157,296
Income taxes	\$	64,716
Net income	\$	92,580

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5. Restatement

Subsequent to the issuance of its previous interim financial statements as of and for the period(s) ended June 30, 2005, the Company reevaluated its portfolio of investments and concluded that certain securities previously classified as trading securities did not qualify as such, and accordingly, restated its statements of operations to adjust unrealized gain or loss on trading securities. The restatement resulted in a year to date reduction in unrealized losses on trading securities from \$17,395 to \$3,989 and a corresponding increase in income tax expense from \$23,644 to \$24,288, resulting in after tax increase in net income of \$12,762 from \$32,906 to \$45,668. The restatement also resulted in a reduction in trading securities (at fair value) on the balance sheet from \$299,686 to \$7,977, an increase in Investments in non-trading securities (recorded at cost) of \$60,000, and a reduction of deferred tax liabilities of \$98,532 from \$97,940 to a deferred tax asset of \$592, and a reduction in retained earnings of \$141,154. The restatement resulted in an increase of basic and fully diluted earnings per share of \$.01 per share. The financial statements for the calendar year ended December 31, 2004 were also restated for the same adjustment. Corresponding adjustments for the fiscal year to date ending June 30, 2004 were immaterial to the June 30, 2004 interim financial statements.

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Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation

Forward-Looking Information

Certain statements in this Section and elsewhere in this report are forward-looking in nature and relate to trends and events that may affect the Company's future financial position and operating results. Forward Looking Statements are defined within the meaning of Section 27-A of the Securities Act of 1933 and Section 21-E of the Securities Act of 1934. The terms "expect," "anticipate," "intend," and "project" and similar words or expressions are intended to identify forward-looking statements. These statements speak only as of the date of this report. The statements are based on current expectations, are inherently uncertain, are subject to risks, and should be viewed with caution. Actual results from experience may differ materially from the forward-looking statements as a result of many factors, including changes in economic conditions in the markets served by the company, increasing competition, fluctuations in prices and demand, and other unanticipated events and conditions. It is not possible to foresee or identify all such factors. The company makes no commitment to update any forward-looking statement or to disclose any facts, events, or circumstances after the date hereof that may affect the accuracy of any forward-looking statement.

Plan of Operation

Prime Resource, Inc. ("Prime") is a Utah Corporation which was organized and filed of record on March 29, 2002 as a successor entity to Prime, LLC, (a Utah limited liability company). Prime is an integrated business entity that conducts all of its actual business activities through its wholly owned subsidiaries: Belsen Getty, LLC ("Belsen Getty") and Fringe Benefit Analysts, LLC ("FBA"). Prime Retirement Services, LLC, ("Prime Retirement") has previously been organized to potentially assume some of the core businesses or similar services of Prime, but is not operational or integrated to date. Unless otherwise specifically described in this report, the reference to Prime shall collectively mean both Prime and its two current operating subsidiaries.

The principal business activity of Prime has been, and will continue to be for the foreseeable future, providing insurance and related insurance products principally in the health, life, dental and disability areas, as well as implementing and managing various employee related benefit programs and plans, such as 401(k) retirement accounts.

The insurance activities of Prime are primarily conducted through FBA. FBA is licensed as an insurance broker. Belsen Getty supplies collateral services related primarily to formation and funding of pension and investment management programs, as well as retirement planning and general business and financial consulting. Belsen Getty is a registered investment advisory firm. Prime Retirement is a potential start-up consulting entity which has not commenced operations and has been closed as a business entity during the 2nd quarter of

2005.

The sector breakdown of revenues and profits by the two operating entities as well as the parent holding company for comparative quarters is generally summarized below:

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Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation (continued)

FBA Analysts:

2nd Quarter 2005 Gross Revenues	\$	1,721,975
Net Profits	\$	150,058
2nd Quarter 2004 Gross Revenues	\$	1,220,674
Net Profits	\$	203,253

Belsen Getty:

2nd Quarter 2005 Gross Revenues	\$	188,794
Net Profits (loss)	\$	(39,103)
2nd Quarter 2004 Gross Revenues	\$	173,750
Net Profits	\$	(733)

Prime and Other:

2nd Quarter 2005 Revenues	\$	15,720
Net Profits (loss)	\$	(76,039)
2nd Quarter 2004 Revenues	\$	3,933
Net Profits (loss)	\$	(109,940)

Historically, management intended to attempt to grow the company primarily through the acquisition of other insurance providers into the FBA entity and by developing new client relationships. Concurrently, Belsen Getty attempted to expand its financial and business consulting and pension planning services principally by creating a more extensive investment advisory role.

During the first and second quarters of 2005, it became increasingly clear to management that there were a paucity of suitable insurance agency acquisition opportunities that would meet the criteria of materially growing the revenue base of the company. As a result, the management has made a conscious decision to shift emphasis to explore potential merger or acquisition possibilities in unrelated areas.

FBA is also currently negotiating potential marketing plans to expand its "Advantage Program" whereby it provides plan administration services along with selling insurance products. Further, FBA is allowing access to the Advantage Program for competitors for a negotiated percentage of their gross revenues.

The company completed an initial public offering of its shares on June 16, 2003 in which it raised \$750,000 in gross proceeds and \$709,664 in net proceeds. Its stated intention was to employ the majority of these funds for acquisitions to grow its core insurance services and products as generally discussed above. During the second quarter of 2005, Prime has determined that these funds may be better employed enhancing current operations by upgrading programs, systems and equipment with the balance reserved for funding a more broad based pursuit of merger or acquisition possibilities. No proceeds of the offering are employed to pay for costs of day-to-day operations.

To the date of this report, the company has expended approximately \$ 379,072 of offering proceeds and has approximately \$330,591 remaining which is more particularly reported under Item 5 of this report pursuant to SEC Rule 463. The balance of the offering proceeds are yet to be employed and are being reserved for reviewing and potentially acquiring other businesses or concepts.

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Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation (continued)

The company's long term growth and potential to realize profits is substantially dependent upon the ability of management of the company to successfully employ the proceeds of the public offering in a manner which will generate additional revenues and potential net income to Prime. No assurance or warranty of the success of Prime, in this regard, can be made or implied at this time. The company experienced a profit of \$131,112 in calendar year 2004. For the second quarter of 2005 the company realized an after tax net profit of \$34,916 compared to \$92,580 in the comparable period of 2004.

In the current quarter we had net profits of \$34,916 on gross revenues of

\$1,926,489. The comparable revenues for the second quarter of 2004 were \$1,398,357 and \$92,580 in net profits. We attribute this revenue growth primarily to the increased marketing of our services and products to new clients and the expanded operation of our "Advantage Program". Also, Prime has increased its client base and commissions through increased agent affiliations. We will continue to attempt to partner with insurance agencies that may enhance our product mix or revenue potential and offer a symbiotic relationship. The size of the agencies that affiliate with FBA will have an impact on profit margins. Larger agencies receive a larger percentage of gross commissions they produce, thus lowering FBA's margins as a percentage of gross revenues. As a result expenses for the period increased in total and as a percentage of revenue in part due to the hiring of additional support staff but more directly due to increased commission payments to staff members and affiliated agents whose compensation is somewhat tied to revenue. As we continue to grow our revenue through partnering and alliances our overall margins will be impacted by the size and volume of those partners added subsequently as the expenses associated with such partnerships are a function of the joint revenue realized. It is also our intent to expand the investment advisory business as well.

Further there has been an inflationary pressure on health care insurance premiums as set by the health care providers. This inflation of health care costs directly impacts our revenues and has been positive for our revenue. The general trend of health insurance premiums will have an impact on our revenue and we cannot project what the future may hold as far as this trend.

Each person reviewing this report should understand that the company has only had historical profits since 2003. The failure of the company to have a long history of profits and determination to seek other business activities should be considered as potential risk factors to any person acquiring securities of the company in that it does not have a proven or sustained profit history.

Prime, including all subsidiaries, has 18 full-time employees, 1 part-time employee and 49 affiliated commission based insurance or other agents.

As of June 30, 2005, the outstanding current liabilities of the company were \$640,482 which is an increase from \$481,953 for the year end 2004. Liabilities increased primarily due to greater agent commissions payable. The company has an accumulated retained earnings from its inception as a corporate entity to June 30, 2005 of \$270,931.

Products and Markets

As generally described above, the revenue sources to Prime are primarily divided into two categories. The first being the sale of a broad line of insurance products and services through FBA with a primary emphasis on group health, disability, dental and life policies. The second being the related investment and planning services of Belsen Getty.

The insurance activities of Prime are primarily offered within eleven western United States. Prime acts as a general agent through FBA for various companies in supplying the insurance policies and services. However, four companies account, collectively, for almost all of the policies provided by Prime. These four principal suppliers of policies to Prime are Altius Insurance, (previously Pacific Health Care); United Health Care; Intermountain Health Care and Regence Blue Cross. Commissions for the placement of these products range from approximately 2-20%.

FBA currently has, as of June 30, 2005, approximately 514 customers who are receiving ongoing insurance coverage and related services from FBA. FBA also has what it believes to be a unique program

Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation (continued)

related to its insurance activities in which it acts as a plan developer and facilitator for various insurance programs such as COBRA, HIPAA and State continuation plans and other insurance related plans that require ongoing filing and consulting/management services. These services have previously been described as the "Advantage Program". FBA believes it has been successful in growing its business through supplying the advantage services at no additional cost to the insurance client. The company also believes it has been successful in maintaining a profit, while providing these services without additional cost to the client, by obtaining discounts from service providers who provide these ongoing management services.

Belsen Getty supplies investment advisory and pension management services to various clients of Prime. Some, but not all, of these clients are referred by FBA incident to completion of insurance funded products sold to various individuals and entities which then require pension fund management. The compensation for these valuable services are derived on a fee basis. The fees range from 25 basis points to 125 basis points per year depending upon the size of the portfolio or program managed. There are no commissions paid on investment

products and the assets are held by third party custodians, such as various brokerage firms. It is anticipated that the Belsen Getty portion of the business will grow concurrently with the growth of the FBA business, but for the foreseeable future will generate revenues substantially less than the FBA component of the business. As of June 30, 2005, FBA has approximately 514 customers and Belsen Getty has 481 clients.

Liquidity and Sources of Capital

As previously noted, the parent entity, Prime Resource, Inc., completed a public offering as of April 16, 2003 resulting in net proceeds to the company of \$709,664. It was believed and anticipated that these proceeds would be sufficient to implement the general growth plan of the company, as generally described above, and which included acquisition of other insurance brokers, as well as the recruitment and training of insurance agents with existing books of business, clients, and established insurance markets. No warranty or assurance of the success of this proposed plan of operation can be made, but it is believed that there is sufficient existing capital in the company to implement this plan from the proceeds of the offering. Prime is presently in a position where it believes that its general revenues can sustain other business operations, including salaries, rent, utilities and other overhead costs, without the employment of offering proceeds for those general operating purposes.

Since the first quarter of 2005 the company has decided to use the net proceeds on an as needed basis only to enhance existing business equipment or procedures and as may become necessary to pursue and analyze subsequent business opportunities. As of June 30, 2005 there remained \$330,591 of net proceeds.

The company has no present plans for any additional offering of its securities or other capital formation activities for the foreseeable future.

Further, the company does not significantly rely on lines of credit or other bank loans for its present operations and has total outstanding debt obligations, as of June 30, 2005, of approximately \$68,944, while maintaining a net worth of approximately \$1,123,550.

Recent Developments

During the second quarter, Prime has been involved in potential merger, acquisition or share exchange discussions with several companies for the purposes of obtaining a new business purpose as previously described. All of these negotiations have been preliminary and none of them have resulted to the date of this Report in any definitive agreement. All interested parties and each shareholder are advised that should Prime reach a definitive reorganization acquisition, or other similar type of agreement, it will promptly file an 8-K report with the Securities and Exchange Commission (SEC) generally outlining the terms of that agreement. The company would also intend to post the general terms of such agreement on its company website and may issue a corresponding press release. It is also anticipated that most types of reorganization proposals in a definitive state would require shareholder approval for which your vote, as a shareholder, would be solicited through a normal proxy solicitation process.

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Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation (continued)

The form of most of these negotiations, to date, has generally revolved around Prime discussing acquiring a new unrelated business purpose for the issuance of additional stock with the concurrent reduction of the principal shareholders presently issued stock in consideration for the spin-off to those principals of the existing insurance and investment advisory related services of Prime. It should be noted, however, that no assurance or warranty that any type of reorganization can be completed is made or implied by this general discussion; nor, should one assume that the final form of any definitive agreement would follow the general outline of prior discussions described by this paragraph.

At present the company remains in continuing negotiations with one potential acquisition candidate and should a definitive agreement be reached with this potential candidate, the disclosures and filings described above would be promptly made available to shareholders and other interested parties in public filings as described above. The company is committed to continue actively pursuing some type of acquisition or reorganization candidate to advance its business purposes as a public company through a form of business enterprise which it believes would be more profitable and more compatible with the public nature of the company.

Risk Factors

There is a significant new risk factor to shareholders as the company transitions from attempting to expand its core insurance/consulting services to potential merger and acquisition efforts with unknown entities. Any such future reorganization would most likely result in a change of management, business, and

the relative share ownership of current shareholders.

Item 3. Controls and Procedures

(a) Prime's Board maintains controls and procedures designed to provide reasonable assurance that information required to be disclosed in the reports that the Company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. Based upon their evaluation of those controls and procedures performed as of the end of the period covered by the report in conforming with SEC Item 307 of Regulation S-B, the chief executive officer and the principal financial officer of the Company concluded that the Company's disclosure controls and procedures are not effective at a reasonable assurance level for its present activities under the foregoing rule in consideration of the restatement of certain financial statements by Prime. The Company identified the following material weakness: 1) the lack of sufficient knowledge and experience among the internal accounting personnel regarding the application of US GAAP and SEC requirements; 2) insufficient written policies and procedures for accounting and financial reporting with respect to the current requirements and application of US GAAP and SEC disclosure requirements. The Company knows of no fraudulent activities within the Company or any material accounting irregularities. The Company currently does not have an independent audit committee. The Company is advised that an independent audit committee is not required for Electronic Bulletin Board Listings, but will further review the advisability and feasibility of establishing such a committee in the future.

(b) Changes in internal controls. The Company made no specific or significant changes in its internal controls during the quarter ended June 30, 2005. In October 2005 Prime was made aware of certain accounting irregularities pursuant to an SEC notice and comment pertaining to its earlier filed periodic reports for the year ending in 2004 and the first two quarters of 2005. We now report retroactively and generally that the within report contains changes and restates certain financial information, as well as the included changes in management's discussion and analysis. In particular, this section pertaining to controls and procedures describes action taken to ensure more accurate and effective accounting controls and procedures. In addition to the following general discussion, these matters are more fully discussed in our 10-QSB/A report for the period ending September 30, 2005. During November 2005, the Company has engaged the services of an outside accounting professional which has significant expertise in the application of US GAAP and SEC reporting requirements to advise the Company in the preparation of their financial statements. The Company plans to further implement written policy and procedures for accounting and financial statement preparation in accordance current and future requirements of SEC Item 307 of Regulation S-B and SOX 404. The Company has not currently estimated the cost of implementing these changes in controls and procedures.

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Item 3. Controls and Procedures (continued)

(c) Should the company subsequently seek a listing on an exchange or any full NASD listing, such as the NASDAQ small cap markets, it is aware that other accounting/auditing standards, such as the establishment of an independent audit committee, may be required.

(d) The company is aware of the general standards and requirements of the Sarbanes-Oxley Act and has implemented procedures and rules to comply, so far as applicable, such as a prohibition on company loans to management and affiliates.

Part II - Other Information

Item 5. Other Matters

(1) Public Offering & Use of Proceeds. As generally noted above, Prime completed its initial public offering of 150,000 shares to 17 new shareholders as of June 16, 2003. Pursuant to SEC Rule 463, the use or employment of the proceeds are periodically disclosed as part of this report. We have elected to set-out such information in a tabular format:

1. Offering Effective Date		
4/16/2003		
2. Offering Closed	\$750,000	\$709,664
6/16/2003	Gross Proceeds	Net Proceeds
3. Costs of offering including	\$40,336	N/A
legal, accounting, filing fees,		
consulting and miscellaneous		
(No commissions were paid)		
4. No direct payments were made to any	0	0
officer, director or affiliated person.		
The offering was a self-underwriting		

with no commissions.

Of the net proceeds, the following principal expenditures have been made during this Quarter:

(i) Software/computer upgrades	\$	4,315.70
(ii) Database work & website costs	\$	2,907.92
(iii) Legal-primarily NASD listing	\$	
(iv) Working Capital	\$	5,212.25
(v) Office equipment	\$	5,355.84
(vi) Marketing	\$	2,505.12
(vii) New Employees	\$	

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Item 5. Other Matters (continued)

(viii) New Marketing Coordinator	\$	
(ix) Client gifts and costs	\$	3,967.81

	\$	24,264.81
Prior Offering Proceeds Expenditures (Previously Reported)	\$	354,808.30
Remaining Net Proceeds	\$	330,591

(2) Auditors. Child, Sullivan and Company of Kaysville, Utah will continue, subject to Board discretion, as the Company's new independent auditors. The auditors were appointed in August, 2003. The company has no differences of opinion with its prior or current auditors.

(3) Trading. The company trades on the Electronic Bulletin Board under the symbol "PRRO". The Electronic Bulletin Board is essentially an informal trading mechanism managed by the National Association of Securities Dealers, but does not constitute a regular NASDAQ exchange or listing. It is, essentially, an electronic intra-dealer quotation system for small public companies not meeting the requirements for regular NASDAQ listing. During the second quarter of 2005 the trading range of the company's stock was as follows:

High	Low
\$5.5	\$2.5

(4) Annual Meeting. The company held its annual meeting of shareholders on the 5th of June 2004, wherein the nominated directors were re-elected and the choice of independent auditors was ratified by majority shareholder vote. No meeting date in 2005 has presently been set.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

31.1 Certification under Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification under Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification under Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. SECTION 1350)

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the reporting period.

(c) Other Exhibits-None

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: January 5, 2006 By: /s/ Terry M. Deru

Mr. Terry M. Deru
President, Director

Date: January 5, 2006 By: /s/ Andrew W. Limpert

Mr. Andrew W. Limpert Director, Treasurer/CF

CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT OF 1934: RULES 13a-14, 13a-15, 15d-14, and 15d-15
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Terry Deru, certify that:

- (1) I have reviewed this report on Form 10-QSB/A (Amendment No.1) of Prime Resource, 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 report fairly present in all material respects the financial condition, results of operations and cash flows of the small business as of, and for, the periods presented in this report.
- (4) The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15(e) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure the material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our 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
 - (c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
- (5) The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation, of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer'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 small business issuer's internal control over financial reporting.

DATE: January 5, 2006

_____/s/ Terry M. Deru_____
Signature

- - - - -
Terry M. Deru, Chief Executive Officer

CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT OF 1934: RULES 13a-14, 13a-15, 15d-14, and 15d-15
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Andrew Limpert, certify that:

- (1) I have reviewed this report on Form 10-QSB/A (Amendment No.1) of Prime Resource, 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 report fairly present in all material respects the financial condition, results of operations and cash flows of the small business as of, and for, the periods presented in this report.
- (4) The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15(e) and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure the material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities particularly during the period in which this report is being prepared;
 - (b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our 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
 - (c) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
- (5) The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation, of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer'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 small business issuer's internal control over financial reporting.

DATE: January 5, 2006

_____/s/ Andrew Limpert _____
Signature

- -----
Andrew Limpert, Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Prime Resource, Inc. (the "Company") on Form 10-QSB/A (Amendment No.1) for the period ending June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Mr. Terry Deru, President and Chief Executive Officer and Mr. Andrew Limpert, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of our knowledge and belief:

(1) The accompanying quarterly report on form 10 -QSB/A (Amendment No.1) for the period ending June 30, 2005 fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of Prime Resource, Inc.

Date: January 5, 2006

/s/ Terry M. Deru
Mr. Terry M. Deru
President, Director

Date: January 5, 2006

/s/ Andrew W. Limpert
Mr. Andrew W. Limpert
CFO, Director

A signed original of this written statement required by Section 906 or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form with the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.