Portage Resources Inc.
Form 10-K
August 31, 2010

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

FORM 10-K

(x) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended May 31, 2010

( ) TRANSACTION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transaction period from to

Commission File number 333-144585

PORTAGE RESOURCES, INC.
(Exact name of Registrant as specified in charter)

Nevada	75-3244927
State or other jurisdiction of incorporation or organization	(I.R.S. Employee I.D. No.)

990 Richard Street, St. Wenceslas, Quebec, Canada	G0Z 1J0
(Address of principal executive offices)	(Zip Code)

Issuer's telephone number and area code 1-819-740-0810

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

Title of each share	Name of each exchange on which registered
None	None

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

None

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act [ ] Yes [X] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15 (d) of the Act. [ ] Yes [ ] No

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 past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See definition of "large accelerated filer", "accelerated filer" and "small reporting company" Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ] Accelerated filer [ ]

Non-accelerated filer [ ] (Do not check if a small reporting company) Small reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes [ ] No [X]

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recent completed second fiscal quarter.

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PROCEDING FIVE YEARS

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

August 15, 2010: 63,720,000 common shares

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PART 1

ITEM 1. BUSINESS

History and Organization

The Company was incorporated under the laws of the State of Nevada on July 20, 2006 under the name of Portage Resources Inc. ("Portage"). Our fiscal year end is May 31. Our executive offices are located at 990 Richard Street, Saint Wenceslas, Quebec, Canada, G0Z 1J0. Our telephone is (819) 740 - 0810. We do not have any subsidiaries, affiliated companies or joint venture partners.

We are a start-up mineral company in the pre-exploration stage and have not generated any operating revenues since inception. We have incurred losses since inception and our auditors have issued a going concern opinion since we must raise additional capital, through the sale of our securities, in order to fund our operations. There can be no assurance we will be able to raise this capital.

Our sole mineral property, the ROK 1-20 Claims (hereinafter the "Portage Claims"), was located in the Yukon Territory ("Yukon"), Canada. In December 2009, the Company allowed the claims to lapse and hence have no further rights to the minerals associated with the ROK 1-20 claims. In addition, the Company has no liabilities associated with the mineral claim. Management decided that the claims were remote and difficult to carry out any meaningful exploration program and therefore did not renew the claims in December 2009.

Management is actively seeking another mineral claim of merit in either the Yukon or the Northwest Territories in Canada.

To meet our ongoing need for cash, to finance our continuing operations, we must raise additional capital through a private placement or public offering of shares of our common stock, or through loans from our officers and directors. Our officers and directors are unwilling to make any commitment to advance funds to the Company and we have made no arrangements whatsoever to raise additional cash. If we are unable to raise the additional cash we will need to continue operation we will have no alternative but to cease operations and go out of business which could result in the loss of your entire investment in our common stock.

We have no full-time employees and management of Portage, all of whom reside in Quebec, Canada, devotes a very small percentage of their time to the affairs of the Company. While none of our officers and directors is a director or officer of any other company involved in the mining industry there can be no assurance such involvement will not occur in the future. Such involvement could create a conflict of interest.

The shareholders may read and copy any material filed by Portage with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC, 20549. The shareholders may obtain information on the operations of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information which Portage has filed electronically with the SEC by assessing the website using the following address: http://www.sec.gov. Portage has no website at this time.

Planned Business

The following discussion should be read in conjunction with the information contained in the financial statements of Portage and the notes, which form an integral part of the financial statements, which are attached hereto.

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The financial statements mentioned above have been prepared in conformity with accounting principles generally accepted in the United States of America and are stated in United States dollars.

This Form 10-K also contains forward-looking statements that involve risks and uncertainties. If any of the events or circumstances described in the following risks actually occurs, our business, financial condition, or results of operations could be materially adversely affected and the price of our common stock could decline on the Pink Sheets.

ITEM 1A RISK FACTORS

An investment in our securities involves an exceptionally high degree of risk and is extremely speculative. In addition to the other information regarding Portage contained in this Form 10-K, you should consider many important factors in determining whether to purchase the shares being offered. The following risk factors reflect the potential and substantial material risks which could be involved if you decide to purchase shares in our Company.

Risks Associated with our Company:

1. Our liquidity, and thus our ability to continue to operate, depends upon our ability to raise additional capital.

In order to finance our continuing operations over the next twelve months we must raise additional capital. We estimate our cash needs for the immediate future, over and above cash on hand, to be approximately $44,164. There is no assurance we will be able to raise this cash. If we fail to do so we will be forced to go out of business. Options available to us for raising the cash we will require include the issuance of shares of our common stock, through a private placement or public offering, and loans advanced to us by our officers and directors. We have no arrangements whatsoever to raise additional cash at the present time. If we are unable to make such arrangements to raise additional cash we will be forced to go out of business, which could result in the total loss of any investment in our shares of common stock.

2. Because our auditors have issued a going concern opinion and because our officers and directors may not loan any additional money to us, we may not be able to achieve our objectives and may have to suspend or cease exploration activity.

Our auditors' report on our May 31, 2010 financial statements expressed an opinion that substantial doubt exists as to whether we can continue as an ongoing business for the next twelve months. Because our officers and directors maybe unwilling to commit to loan or advance additional capital to us, we believe that if we do not raise additional capital through the issuance of treasury shares, we will be unable to conduct exploration activity and may have to cease operations and go out of business.

3. Presently we do not have a viable asset in the Company.

With the abandonment of the ROK 1-20 mineral claims in December 2009, the Company does not have an asset it can development and the changes are that it might not unless the directors identify a mineral claim of merit during the forthcoming year.

4. We lack an operating history and have losses which we expect to continue into the future. As a result, we may have to suspend or cease exploration activity or cease operations.

We were incorporated on July 20, 2006, have not yet conducted any exploration activities and have not generated any revenues. We have an insufficient exploration history upon which to properly evaluate the likelihood of our future success or failure. Our net loss from inception to May 31, 2010, the date of our most recent audited financial statements, is $145,260. Our ability to achieve and maintain profitability and positive cash flow in the future is dependent upon

* our ability to locate a profitable mineral property
* our ability to locate an economic ore reserve
* our ability to generate revenues
* our ability to reduce exploration costs.

Based upon current plans, we expect to incur operating losses in future periods. This will happen because there are expenses associated with the research and exploration of any future mineral claim we acquire. We cannot guarantee we will be successful in generating revenues in the future. Failure to generate revenues will cause us to go out of business.

5. Because our officers and directors do not have technical training or experience in starting, and operating an exploration company nor in managing a public company, we will have to hire qualified personnel to fulfill these functions. If we lack funds to retain such personnel, or cannot locate qualified personnel, we may have to suspend or cease exploration activity or cease operations that will result in the loss of your investment.

Because our officers and directors are inexperienced with exploring for minerals and starting, and operating a mineral exploration company, we will have to hire qualified persons to perform surveying, exploration, and excavation of our property. Our officers and directors have no direct training or experience in these areas and as a result may not be fully aware of many of the specific requirements related to working within the industry. Their decisions and choices may not take into account standard engineering or managerial approaches, mineral exploration companies commonly use. Consequently our exploration, earnings and ultimate financial success could suffer irreparable harm due to certain of management's lack of experience in this industry. Additionally, our officers and directors have no direct training or experience in managing and fulfilling the regulatory reporting obligations of a ‘public company’ like Portage. Unless our two part time officers are willing to spend more time addressing these matters, we will have to hire professionals to undertake these filing requirements for Portage and this will increase the overall cost of operations. As a result we may have to suspend or cease exploration activity, or cease operations altogether, which will result in the loss of your investment.

6. Because our officers and directors have other outside business activities and may not be in a position to devote a majority of their time to our exploration activity, our exploration activity may be sporadic which may result in periodic interruptions or suspensions of exploration.

Our President and CEO, will be devoting only 10% of her time, approximately 15 hours per month, to our operations or business. Our CFO and Secretary-Treasurer will be devoting only approximately 10 hours per month to our operations. As a consequence our business may suffer. For example, because our officers and directors have other outside business activities and may not be in a position to devote a majority of their time to our exploration activity, our exploration activity may be sporadic or may be periodically interrupted or suspended. Such suspensions or interruptions may cause us to cease operations altogether and go out of business.

7. Our directors and officers control a substantial number of our outstanding shares and will be able to effect corporate transactions without further shareholder approval.

Our directors and officers own 75.3% of our outstanding shares. Because of their control, they will be able to approve certain corporate transactions without seeking further shareholder approval. In addition, because of their control, it will be harder to change the board of directors and management.

8. We anticipate the need to sell additional treasury share in the future meaning that there will be a dilution to our existing shareholders resulting in their percentage ownership in the Company being reduced accordingly.

We expect that the only way we will be able to acquire additional funds is through the sale of our common stock. This will result in a dilution effect to our shareholders whereby their percentage ownership interest in the Company is reduced. The magnitude of this dilution effect will be determined by the number of shares we will have to issue in the future to obtain the funds required.

9. Because our securities are subject to penny stock rules, you may have difficulty reselling your shares.

Our shares are "penny stocks" and are covered by Section 15(g) of the Securities Exchange Act of 1934 which imposes additional sales practice requirements on broker/dealers who sell the Company's securities including the delivery of a standardized disclosure document; disclosure and confirmation of quotation prices; disclosure of compensation the broker/dealer receives; and, furnishing monthly account statements. For sales of our securities, the broker/dealer must make a special suitability determination and receive from its customer a written agreement prior to making a sale. The imposition of the foregoing additional sales practices could adversely affect a shareholder's ability to dispose of his stock.

Forward Looking Statements

In addition to the other information contained in this Form 10K, it contains forward-looking statements which involve risk and uncertainties. When used in this Form 10-K the words “may”, “will”, “expect”, “anticipate”, “continue”, “estimate”, “project”, “intend”, “believe” and similar expressions are intended to identify forward-looking statements regarding events, conditions and financial trends that may affect our future plan of operations, business strategy, operating results and financial position. Readers are cautioned that any forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties and that actual results could differ materially from the results expressed in or implied by these forward-looking statements as a result of various factors, many of which are beyond our control. Any reader should review in detail this entire Form 10K including financial statements, attachments and risk factors before considering an investment.

ITEM 1B. UNRESOLVED STAFF COMMENTS

There are no unresolved staff comments.

ITEM 2. PROPERTIES

Portage Claims

The Company no longer has an interest in the ROK 1-20 mineral claims since it allowed them to lapse in December 2009. It was determined by management that any exploration program on the claims would be difficult and expensive due to being situated in a mountainous area of the Yukon.

Management is seeking other mineral claims which it can explore and determine if there is a viable ore reserve located on them.

Competitive Factors

The mining industry is highly fragmented. We are competing with many other exploration companies looking for gold, uranium and other minerals. We are among the smallest exploration companies in existence and are an infinitely small participant in the mining business, which is the cornerstone of the founding and early stage development of the mining industry. While we generally compete with other exploration companies, there is no competition for the exploration or removal of minerals from our claims. Readily available markets exist for the sale of gold and uranium.

Governing Laws

The mining industry in Canada operates under both federal and provincial or territorial legislation governing the exploration, development, production and decommissioning of mines. Such legislation relates to such matters as the method of acquisition and ownership of mining rights, labor, health and safety standards, royalties, mining and income taxes, exports, reclamation and rehabilitation of mines, and other matters. The mining industry in Canada is also subject to legislation at both the federal and provincial or territorial levels concerning the protection of the environment. Legislation imposes high standards on the mining industry to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently deposited on the ground or emitted into the air or water. The design of mines and mills, and the conduct of extraction and processing operations, are subject to regulatory restrictions. The exploration, construction, development and operation of a mine, mill or refinery require compliance with environmental legislation and regulatory reviews, and the obtaining of land use and other permits, water licenses and similar authorizations from various governmental agencies. Legislation is in place for lands under federal jurisdiction or located in certain provinces and territories that provides for the preparation of costly environmental impact assessment reports prior to the commencement of any mining operations. These reports require a detailed technical and scientific assessment as well as a prediction of the impact on the environment of proposed mine exploration and development.

Failure to comply with the requirements of environmental legislation may result in regulatory or court orders being issued that could result in the cessation, curtailment or modification of operations or that could require the installation of additional facilities or equipment to protect the environment. Violators may be required to compensate those suffering loss or damage by reason of mining activities and the violators, including our officers and directors, may be fined or, in some cases, imprisoned if convicted of an offense under such legislation. Provincial and territorial mining legislation establishes requirements for the decommissioning, reclamation and rehabilitation of mining properties that are closed. Closure requirements relate to the protection and restoration of the environment and the protection of public safety. Some former mining properties must be managed for a long time following closure in order to fulfill regulatory closure requirements. The cost of closure of existing and former mining properties and, in particular, the cost of long-term management of open or closed mining properties can be substantial.

The Company does not foresee having to expend material amounts in order to comply with environmental laws during the exploration phase of its operations. The Company is obligated to restore surface disturbances created by exploration. These restoration efforts typically involve the back filing of trenches, pits, or other excavations created for purposes of exploration.

Underground exploration, which the Company contemplates in the future, will require additional cost related to the storage of excavated material. Until the Company knows the amount of material it will have to store, it cannot estimate this cost. There will be material costs of environmental compliance if the Company develops a mine in the future. However, the Company cannot reasonably estimate that environmental compliance cost at this time.

It is not possible to estimate the cost of meeting the rules and regulations for a mining operation at this time. Those costs will only be determined when a mine plan and the required studies are completed to apply for a mining permit.

Employees

Initially, we intend to use the services of subcontractors for manual labor exploration work on our claim and an engineer or geologist to manage the exploration program. At present, we have no employees as such although each of our officers and directors devotes a portion of his time to the affairs of the Company. None of our officers and directors has an employment agreement with us. We presently do not have pension, health, annuity, insurance, profit sharing or similar benefit plans; however, we may adopt such plans in the future. There are presently no personal benefits available to any employee.

As indicated above we will hire subcontractors on an as needed basis. We have not entered into negotiations or contracts with any potential subcontractors. We do not intend to initiate negotiations or hire anyone until we are nearing the time of commencement of our planned exploration activities

ITEM 3. LEGAL PROCEEDINGS

There are no legal proceedings to which Portage is a party nor to the best of management's knowledge are any material legal proceedings contemplated.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS

There has been no Annual General Meeting of Stockholders since Portage's date of inception. Management has not set a date for an Annual General Meeting of Stockholders.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASE OF EQUITY SECURITIES

Since inception, there has been no established trading market for Portage's common stock nor has Portage paid any dividends on its common stock, and Portage does not anticipate that it will pay dividends in the foreseeable future. As at May 31, 2010, Portage had 36 shareholders; two of these shareholders are an officers and director of Portage.

Option Grants and Warrants outstanding since Inception.

No stock options have been granted since Portage's inception.

There are no outstanding warrants or conversion privileges for Portage's shares.

ITEM 6. SELECTED FINANCIAL DATA

The following summary financial data was derived from our financial statements. This information is only a summary and does not provide all the information contained in our financial statements and related notes thereto. You should read the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related noted included elsewhere in this Form 10-K.

Operation Statement Data

	For the year ended May 31, 2010	July 20, 2006 (date of incorporation) to May 31, 2010
Revenue	$ -	$ -
Exploration expenses	-	11,512
General and Administration	25,264	133,748
Net loss	25,264	145,260
Weighted average shares outstanding (basic)	63,720,000	
Weighted average shares outstanding (diluted)	63,720,000	
Net loss per share (basic)	$ (0.00)	
Net loss per share (diluted)	$ (0.00)	

Balance Sheet Data

Cash and cash equivalent	$ 832
Total assets	832
Total liabilities	120,042
Total Shareholders' deficiency	(119,210)

Our historical results do not necessary indicate results expected for any future periods.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We are a start-up, pre-exploration stage company, have a limited operating history and have not yet undertaken any exploration activity or generated or realized any revenues. We no longer have a mineral property but management is seeking another mineral property which it hopes to acquire within the immediate future.

Our auditors have issued a going concern opinion. This means that our auditors believe there is substantial doubt that we can continue as an on-going business for the next twelve months unless we obtain additional capital to pay our bills. This is because we have not generated any revenues and no revenues are anticipated until we begin removing and selling minerals. Accordingly, we must raise cash from sources other than the sale of minerals found on the our future mineral property, when acquired. That cash must be raised from other sources. Our only other source for cash at this time is investments by others in the Company. We must raise cash to implement our planned exploration program and stay in business.

To meet our need for cash we must raise additional capital. We will attempt to raise additional money through a private placement, public offering or through loans from our directors and officers. We have discussed this matter with our officers and directors. However, our officers and directors are unwilling to make any commitments as to the amount of money they are prepared to advance in the future. At the present time, we have not made any arrangements to raise additional cash. We require additional cash to continue operations. Such operations could take many years of exploration on any new exploration claim acquired and would require expenditure of very substantial amounts of money, money we do not presently have and may never be able to raise. If we cannot raise it we will have to abandon our planned exploration activities and go out of business.

We estimate we will require $44,164 in cash over the next twelve months, including the cost of acquiring a new mineral property. We estimate our cash on hand will not enable us to continue in business for approximately 12 months. For a detailed breakdown see in "Liquidity and Capital Resources", page 20. Therefore, we will need additional funds either from advances made by our officers or directors, through the sale of treasury shares or the issuance of debt securities.

Since we do not presently have the requisite funds, we are unable to acquire a new mineral claim until we raise more money.

We do not intend to hire any employees at this time. Any work undertaken on a new mineral property will be conducted by unaffiliated independent contractors that we will hire. The independent contractors will be responsible for surveying, geology, engineering, exploration, and excavation. The geologists will evaluate the information derived from the exploration and excavation and the engineers will advise us on the economic feasibility of removing the mineralized material.

Limited Operating History; Need for Additional Capital

There is no historical financial information about us upon which to base an evaluation of our performance. We are a pre-exploration stage company and have not generated any revenues from our past exploration activities. Further, we have not generated any revenues since our formation on July 20, 2006. We cannot guarantee we will be successful in any new exploration activities. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources, presently a lack of any asset of merit, and possible cost overruns due to price and cost increases in services.

To become profitable and competitive, we must invest into the exploration of a new property before we start production of any minerals we may find. We must obtain equity or debt financing to provide the capital required to fully implement our phased exploration program. We have no assurance that financing will be available to us on acceptable terms. If financing is not available on satisfactory terms, we will be unable to commence, continue, develop or expand our exploration activities. Even if available, equity financing could result in additional dilution to existing shareholders.

Trends

We are in the pre-explorations stage, have not generated any revenue and have no prospects of generating any revenue in the foreseeable future. We are unaware of any known trends, events or uncertainties that have had, or are reasonably likely to have, a material impact on our business or income, either in the long term of short term, other than as described in this section or in 'Risk Factors'.

Critical Accounting Policies

Our discussion and analysis of its financial condition and results of operations, including the discussion on liquidity and capital resources, are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments.

The going concern basis of presentation assumes we will continue in operation throughout the next fiscal year and into the foreseeable future and will be able to realize our assets and discharge our liabilities and commitments in the normal course of business. Certain conditions, discussed below, currently exist which raise substantial doubt upon the validity of this assumption. The financial statements do not include any adjustments that might result from the outcome of the uncertainty.

Our future exploration activities, if any, are dependent upon our ability to obtain third party financing in the form of debt and equity and ultimately to generate future profitable exploration activity or income from its investments. As of June 30, 2010, we have not generated revenues, and have experienced negative cash flow from minimal exploration activities. We may look to secure additional funds through future debt or equity financings. Such financings may not be available or may not be available on reasonable terms.

Overview

Our financial statements contained herein have been prepared on a going concern basis, which assumes that we will be able to realize our assets and discharge our obligations in the normal course of business. We incurred net losses from operations for the period from inception on July 20, 2006 to May 31, 2010 of $145,260. We did not earn any revenues during the aforementioned period.

Our financial statements included in this Form 10-K have been prepared without any adjustments that would be necessary if we become unable to continue as a going concern and are therefore required to realize upon our assets and discharge our liabilities in other than the normal course of operations.

We are presently in the pre-exploration stage and there is no assurance that a commercially viable mineral deposit, a reserve, will exist on any new mineral property we acquire. Such work could take many years of exploration and would require expenditure of very substantial amounts of capital, capital we do not presently have and may never be able to raise.

Our Future Exploration Program

We must conduct exploration to determine what amounts of minerals exist which might exist on any new mineral property we acquire and if such minerals can be economically extracted and profitably processed.

Our planned future exploration program will be designed to efficiently explore and evaluate any new mineral claim we acquire.

Liquidity and Capital Resources

Since inception we have raised the capital through private placements of common stock as follows:

As of May 31, 2010 our total assets were $832 and our total liabilities were $120,042, including $95,983 to related parties.

Including the cost of completing the Phase I exploration program on the Portage Claims, our non-elective expenses over the next twelve months, are expected to be as follows:

Expense	Ref.	Estimated Amount
Accounting and audit	(i)	$ 7,950
Bank charges		100
Edgar filing costs	(ii)	1,155
Exploration - acquiring new mineral claim	(iii)	9,200
Filing fees – Nevada; Sec of State	(iv)	200
Office and general expenses	(v)	500
Transfer agent fees	(vi)	1,000
Estimated expenses for the next twelve months		20,105
Account payable – unrelated parties at May 31, 2010	(vii)	24,059
Estimated funds required over the next twelve months		$44,164

(i) Accounting and audit

Relates to fees in connection with the preparation of quarterly and annual financial statements and filings on Forms 10-KSB and 10-QSB as follows:

Period	Accountant	Auditor	Amount
August 31, 2009	$ 787	$ 500	$ 1,287
November 30 , 2009	787	500	1,287
February 28, 2010	787	500	1,287
May 31, 2010	1,589	2,500	4,089
Estimated total	$ 3,950	$ 4,000	$ 7,950

(ii) Edgar filing costs

We will file with the SEC the Forms 10-K and 10-Q during the forthcoming year.

(iii) Exploration – acquiring new mineral claim

Estimated cost of acquiring a new mineral claim and obtaining a geological report thereon.

(iv) Filing fees in Nevada

To maintain the Company in good standing in the State of Nevada an annual fee of approximately $200.

(v) Office and general

We have estimated a cost of approximately $500 for photocopying, printing, fax and delivery.

(vi) Transfer agent

The annual fee from Empire Stock Transfer to act as transfer agent for us is $1,000.

(vii). Accounts payable – unrelated parties

Our future operations are dependent upon our ability to obtain third party financing in the form of debt and equity and ultimately to generate future profitable operations. As of June 30, 2010, we have not generated revenues, and have experienced negative cash flow from operations. We may look to secure additional funds through future debt, equity financings or advances from our officers and directors. These sources of financing may not be available or may not be available on reasonable terms.

Year ended May 31, 2010

We incurred accumulated net losses since our inceptions of $145,260 as detailed in the following table:

Expenses	Ref.	From inception July 20, 2006 to May 31, 2010
Accounting and audit	(i)	$ 32,696
Bank charges		163
Consulting	(ii)	25,000
Exploration and staking costs	(iii)	7,272
Filing fees	(iv)	3,587
Geological report	(v)	4,240
Incorporation costs	(vi)	650
Legal fees	(vii)	6,500
Management fees	(viii)	40,000
Office	(ix)	2,727
Rent	(x)	12,000
Transfer agent fees	(xi)	6,917
Travel and entertainment	(xii)	3,508
Total		$145,260

(i) Audit and Accounting

Represents the cost of the preparation of the financial statements since inception for the quarters ended August 31, November 30, and February 28 for review by Madsen & Associates CPA's Inc. and the years ended May 31 for examination by Madsen & Associates CPA's Inc. to render their opinion thereon.

(ii) Consulting

Represents consulting fees to DTDM Capital Management Ltd., a non-affiliated party, to assist in the preparation of our effective registration statement.

(iii) Exploration and staking costs

Represents the cost of maintaining the Portage Claims in good standing until December 13, 2009.

(iv) Filing fees

Filing fees incurred since our inception comprises the following:

CUSIP Service Bureau – for CUSIP number	$ 138
DTDM Capital Management – preparation of documents for the stock split	2,000
Nevada Secretary of State – certificate of amendment to article of incorporation	432
	475

Nevada Secretary of State – Annual reports of Officers and Directors	
Ministry of Quebec – cost to government in opening a bank account in Quebec	192
Empire Stock Transfer – Annual List of Officers	350
	$ 3,587

(v) Cost of obtaining a report by a professional geologist on the Roc 1 to 20.

(vi) Cost to incorporate Portage in the State of Nevada.

(vii) Legal fees

Represents fees paid to: Dan Eng for his legal opinion attached to the SB-2 ($2,500); Lawler & Associates for a letter to the transfer agent ($1,500) and Brad Birmingham for a review of the corporate records for the market maker ($2,500).

(viii) Management fees

Martine Caron was paid a management fees to its president of $1,000 per month for 8 months for a total consideration during the year of $8,000. From February to May 2010, the management fee of $1,000 per month was accrued and credited to capital in excess of par value.

(ix) Office

Office costs represent charged for courier, photocopying and printing.

(x) Rent

We do not have an office but have arranged to use Martine Caron's office in her personal residence until such time as it becomes advantageous to rent our own office space. In consideration for the use of her office, we have agreed to pay her $300 per month for eight months for a total consideration of $2,400 per year. From February to May of 2010, the rent of $300 per month was accrued and credited to capital in excess of par value.

(xi) Transfer agent fees

Represents charges by Empire Stock Transfer for the annual transfer agent fees, issuance of share certificates and charges for the forward stock split.

(xii) Travel and entertainment

Travel and entertainment includes travel and entertainment expenses incurred by the directors on company business including communicating with future investors and meeting with shareholders.

Balance Sheet

Total cash and cash equivalents, as at May 31, 2010, was $832. Our working capital deficit as at May 31, 2010 was $119,210. If amounts owed to related parties are excluded there is a working capital deficit of $23,227.

Total shareholders' deficiency as at May 31, 2010 was $119,210. Total shares outstanding as at May 31, 2010, was 63,720,000.

As of June 30, 2010 shares of common stock outstanding was 63,720,000.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market Information

There are no common shares subject to outstanding options, warrants or securities convertible into common equity of our Company.

The number of shares subject to Rule 144 is 43,200,000

There are no shares being offered to the public other than indicated in our effective registration statement and no shares have been offered pursuant to an employee benefit plan or dividend reinvestment plan.

Our shares are traded on the OTCBB. Although the OTCBB does not have any listing requirements per se, to be eligible for quotation on the OTCBB, we must remain current in our filings with the SEC; being as a minimum Forms 10-Q and 10-K. Securities already quoted on the OTCBB that become delinquent in their required filings will be removed following a 30 or 60 day grace period if they do not make their filing during that time.

In the future our common stock trading price might be volatile with wide fluctuations. Things that could cause wide fluctuations in our trading price of our stock could be due to one of the following or a combination of several of them:

- our variations in our operations results, either quarterly or annually;
- trading patterns and share prices in other exploration companies which our shareholders consider similar to ours;
- the exploration results on the Roc 1 to 20 Claims, and
- other events which we have no control over.

In addition, the stock market in general, and the market prices for thinly traded companies in particular, have experienced extreme volatility that often has been unrelated to the operating performance of such companies. These wide fluctuations may adversely affect the trading price of our shares regardless of our future performance. In the past, following periods of volatility in the market price of a security, securities class action litigation has often been instituted against such company. Such litigation, if instituted, whether successful or not, could result in substantial costs and a diversion of management's attention and resources, which would have a material adverse effect on our business, results of operations and financial conditions.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements attached to this Form 10-K for the year ended May 31, 2009 have been examined by our independent accountants, Madsen & Associates CPA's Inc. and attached hereto.

ITEM 9. CHANGES IN AND DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

During the year ended May 31, 2010, to the best of our knowledge, there have been no disagreements with Madsen & Associates CPA's Inc. on any matters of accounting principles or practices, financial statement disclosure, or audit scope procedures, which disagreement if not resolved to the satisfaction of Madsen & Associates CPA's Inc. would have caused them to make a reference in connection with its report on the financial statements for the year.

ITEM 9A. CONTROLS AND PROCEDURES

Our management, on behalf of the Company, has considered certain internal control procedures as required by the Sarbanes-Oxley ("SOX") Section 404 A which accomplishes the following:

Internal controls are mechanisms to ensure objectives are achieved and are under the supervision of the Company's Chief Executive Officer, being Martine Caron, and Chief Financial Officer, being Russell James. Good controls encourage efficiency, compliance with laws and regulations, sound information, and seek to eliminate fraud and abuse.

These control procedures provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Internal control is "everything that helps one achieve one's goals - or better still, to deal with the risks that stop one from achieving one's goals."

Internal controls are mechanisms that are there to help the Company manage risks to success.

Internal controls is about getting things done (performance) but also about ensuring that they are done properly (integrity) and that this can be demonstrated and reviewed (transparency and accountability).

In other words, control activities are the policies and procedures that help ensure the Company's management directives are carried out. They help ensure that necessary actions are taken to address risks to achievement of the Company's objectives. Control activities occur throughout the Company, at all levels and in all functions. They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

As of May 31, 2010, the management of the Company assessed the effectiveness of the Company's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and SEC guidance on conducting such assessments. Management concluded, during the year ended May 31, 2010, internal controls and procedures were not effective to detect the inappropriate application of US GAAP rules. Management realized there are deficiencies in the design or operation of the Company's internal control that adversely affected the Company's internal controls which management considers to be material weaknesses.

In the light of management's review of internal control procedures as they relate to COSO and the SEC the following were identified:

The Company's Audit Committee does not function as an Audit Committee should since there is a lack of independent directors on the Committee and the Board of Directors has not identified an "expert", one who is knowledgeable about reporting and financial statements requirements, to serve on the Audit Committee.

The Company has limited segregation of duties which is not consistent with good internal control procedures.

The Company does not have a written internal control procedurals manual which outlines the duties and reporting requirements of the Directors and any staff to be hired in the future. This lack of a written internal control procedurals manual does not meet the requirements of the SEC or good internal control.

There are no effective controls instituted over financial disclosure and the reporting processes.

Management feels the weaknesses identified above, being the latter three, have not had any affect on the financial results of the Company. Management will have to address the lack of independent members on the Audit Committee and identify an "expert" for the Committee to advise other members as to correct accounting and reporting procedures.

The Company and its management will endeavor to correct the above noted weaknesses in internal control once it has adequate funds to do so. By appointing independent members to the Audit Committee and using the services of an expert on the Committee will greatly improve the overall performance of the Audit Committee. With the addition of other Board Members and staff the segregation of duties issue will be addressed and will no longer be a concern to management. By having a written policy manual outlining the duties of each of the officers and staff of the Company will facilitate better internal control procedures.

Management will continue to monitor and evaluate the effectiveness of the Company's internal controls and procedures and its internal controls over financial reporting on an ongoing basis and are committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

ITEM 9A (T) CONTROLS AND PROCEDURES

There were no changes in the Company's internal controls or in other factors that could affect its disclosure controls and procedures subsequent to the Evaluation Date, nor any deficiencies or material weaknesses in such disclosure controls and procedures requiring corrective actions.

ITEM 9 B. OTHER INFORMATION

There are no matters required to be reported upon under this Item.

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ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Officers and Directors

Each of our Directors serves until his successor is elected and qualified. Each of our officers is elected by the Board of Directors to a term of one (1) year and serves until his successor is duly elected and qualified, or until he is removed from office. The Board of Directors has no nominating or compensation committees.

The name, address, age and position of our officers and directors is set forth below:

Name and Address	Position(s)	Age
Martine Caron St. Wenceslas, Quebec, Canada,	Chief Executive Officer, President And Director (1)	52
Russell James Becancour, Quebec, Canada	Chief Financial Officer, Chief Accounting Officer, Secretary-Treasurer and Director (2)	52

(1) Martine Caron was appointed a director on July 20, 2006, and President and Chief Executive Officer on July 21, 2006.

(2) Russell James became a director on July 21, 2006 and was appointed Secretary Treasurer and Chief Financial Officer on July 21, 2006.

The percentage of common shares beneficially owned, directly or indirectly, or over which control or direction are exercised by the directors and officers of our Company, collectively, is approximately 75% of the total issued and outstanding shares.

None of our directors or officers has professional or technical accreditation in the mining business.

Background of officers and directors

MARTINE CARON has been a director since inception and our President and CEO since July 25, 2007. Following high school graduation in 1976 she earned a diploma in Restaurant Management and for 11 years thereafter Ms. Caron held a variety of management positions in a variety of hotels where she handled administration, personnel and quality control matters. In 1987 Ms. Caron accepted the position of Manager of Norsk Mechanical Ltd., a supplier and installer of plumbing supplies to major commercial projects. Her duties included contract administration, accounting and office management. In 1996 Ms. Caron and her husband founded Norseman Plumbing, a residential and commercial plumbing contractor. Norseman now has operations in both Canada and the United States.

RUSSELL L. JAMES has been a director and our Secretary Treasurer and Chief Financial Officer since July 2006. Mr. James has spent his career as an automotive tradesman handling a variety of responsibilities in this business from building and servicing racecars to management/administration of motor vehicle repair shops. Mr. James currently owns and operates his own business, Rusty Maintenances Service, in Becancour, Quebec.

None of our officers and directors work full time for our company. Martine Caron spends approximately 15 hours a month on administrative and accounting matters. It is anticipated Martine will spend more time on Portage's business, approximately 25 hours a month, during the next year as and when Portage becomes more active in our exploration activities. As Secretary Treasurer, Russell James likewise spends approximately 10 hours per month on corporate matters.

Our Directors and Officers are not directors of another company registered under the Securities and Exchange Act of 1934.

Board of Directors

Since inception our Board has held no meetings and our Audit Committee held no meetings.

Below is a description of the Audit Committee of the Board of Directors.

The Charter of the Audit Committee of the Board of Directors sets forth the responsibilities of the Audit Committee. The primary function of the Audit Committee is to oversee and monitor the Company's accounting and reporting processes and the audits of the Company's financial statements.

Our audit committee is comprised of Martine Caron, our President, and Russell James our Secretary Treasurer. Neither Ms. Caron nor Mr. James can be considered an "audit committee financial expert" as defined in Item 401 of Regulation S-B.

Apart from the Audit Committee, the Company has no other Board committees.

Conflicts of Interest

While none of our officers and directors is a director or officer of any other company involved in the mining industry there can be no assurance such involvement will not occur in the future. Such involvement could create a conflict of interest.

To ensure that potential conflicts of interest are avoided or declared to Portage and its shareholders and to comply with the requirements of the Sarbanes Oxley Act of 2002, the Board of Directors adopted, on August 15, 2006, a Code of Business Conduct and Ethics. Portage's Code of Business Conduct and Ethics embodies our commitment to such ethical principles and sets forth the responsibilities of Portage and its officers and directors to its shareholders, employees, customers, lenders and other stakeholders. Our Code of Business Conduct and Ethics addresses general business ethical principles, conflicts of interest, special ethical obligations for employees with financial reporting responsibilities, insider trading rules, reporting of any unlawful or unethical conduct, political contributions and other relevant issues.

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Significant Employees

We have no paid employees as such other than our President. Our Officers and Directors fulfill many of the functions that would otherwise require Portage to hire employees or outside consultants. The Company used to pay its President Martine Caron $1,000 per month in management fees for such advisory services including administrative/planning, financial, capital raising and other matters. This payment stopped in February 2010.

We will have to engage the services of certain consultants to assist in the exploration of the a newly acquired mineral claim, when it is acquired. In particular we will engage a professional geologist on a consulting basis, together with an assistant(s) such geologist will be responsible for hiring and supervising, to conduct exploration work undertaken on a new mineral claim. These individuals will be responsible for the completion of the geological work on our new claim, when it is acquired, and, therefore, will be an integral part of our operations although they will not be considered employees either on a full time or part time basis. This is because our exploration programs will not last more than a few weeks and once completed these individuals will no longer be required. We have not identified any individual who would work as a consultant for us.

Family Relationships

Our President and CEO and our Secretary Treasurer and CFO are unrelated.

Involvement in Certain Legal Proceedings

To the knowledge of the Company, during the past five years, none of our directors or executive officers:

(1) has filed a petition under the federal bankruptcy laws or any state insolvency law, nor had a receiver, fiscal agent or similar officer appointed by the court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filings;

(2) was convicted in a criminal proceeding or named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);

(3) was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting, the following activities:

(i) acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, associated person of any of the foregoing, or as an investment advisor, underwriter, broker or dealer in securities, or as an affiliate person, director or employee of any investment company, or engaging in or continuing any conduct or practice in connection with such activity;
(ii) engaging in any type of business practice; or
(iii) engaging in any activities in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodities laws;

(4) was the subject of any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described above under this Item, or to be associated with persons engaged in any such activities;

(5) was found by a court of competent jurisdiction in a civil action or by the SEC to have violated any federal or state securities law, and the judgment in such civil action or finding by the SEC has not been subsequently reversed, suspended, or vacated.

(6) was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated.

ITEM 11. EXECUTIVE COMPENSATION

General Philosophy

The Company's Board of Directors is responsible for establishing and administering the Company's executive and director compensation.

Executive Compensation

The Board of Director approved a management fee to Martin Caron in the amount of $1,000 per month. It ceased in February 2010. This monthly fee paid in the past to Ms. Caron was for performing administrative functions for us including organizing the formation of the Company, engaging consultants and developing our business plan. This fee was determined by the Board considering the amount of time Ms. Caron will provide to the Company and also taking into consideration the financial condition of the Company. From February to May 2010 the management fee was expensed and credited to capital in excess of par value.

Compensation Summary

The following table summarizes all compensation earned by or paid to our Chief Executive Officer (Principal Executive Officer) and other executive officers, during the past two fiscal years.

Summary Compensation Table

Name and principal position	Year	Salary	Option Award	All Other compensation	Total
Martin Caron	2008	12,000	0	0	0
Chief Executive Officer and	2009	12,000	0	0	0
President	2010	8,000	0	0	0
Russell L. James	2008	0	0	0	0
Chief Financial Officer,	2009	0	0	0	0
Secretary, Treasurer	2010	0	0	0	0

Compensation of Directors

We have no standard arrangement to compensate directors for their services in their capacity as directors. Directors are not paid for meetings attended. All travel and lodging expenses associated with corporate matters are reimbursed by us, if and when incurred.

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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

PRINCIPAL SHAREHOLDERS

The following table sets forth, as at June 30, 2010, the total number of shares owned beneficially by each of our directors, officers and key employees, individually and as a group, and the present owners of 5% or more of our total outstanding shares. The shareholder listed below has direct ownership of his/her shares and possesses sole voting and dispositive power with respect to the shares.

Title or Class	Name and Address of Beneficial Owner (1)	Amount of Beneficial Ownership (2)	Percent of Class
Common Stock	Martine Caron 990 Richard Street, St, Wenceslas, Quebec, Canada, G0Z 1J0	30,000,000	47.05%
Common Stock	Russell L. James 3835 Becancour Blvd. Becancour, Quebec, Canada, G9H 3W8	18,000,000	28.23%
Common Stock	Directors and Officers as a Group	48,000,000	75.28%

(1) Unless otherwise noted, the security ownership disclosed in this table is of record and beneficial.

(2) Under Rule 13-d of the Exchange Act, shares not outstanding but subject to options, warrants, rights, conversion privileges pursuant to which such shares may be acquired in the next 60 days are deemed to be outstanding for the purpose of computing the percentage of outstanding shares owned by the person having such rights, but are not deemed outstanding for the purpose of computing the percentage for such other persons. None of our officers or directors has options, warrants, rights or conversion privileges outstanding.

Future Sales by Existing Shareholders

As of June 30, 2010 there are a total of 63,720,000 shares of our common stock are issued and outstanding. Under our effective registration statement, 10% of the shares held by the directors and officers; being 4,800,000 shares were registered and therefore can be traded into the market. This represents 7.5 of the issued and outstanding shares. The restricted shares are as follows: restricted shares.

Martine Caron	27,000,000 shares
Russell L. James	16,200,000 shares
Total restricted shares	43,200,000 shares

DESCRIPTION OF SECURITIES

Our authorized capital consists of 500,000,000 shares of common stock, par value $0.001 per share. On April 30, 2008, the directors approved and adopted a resolution to amend the Articles of Incorporation by increasing the authorized capital from 200,000,000 shares of common stock with a par value of $0.001 per share to 500,000,000 shares of common stock with a par value of $0.001. The amendment was approved by the Secretary of State for Nevada on May 1, 2008.

The holders of our common stock are entitled to receive dividends as may be declared by our Board of Directors; are entitled to share ratably in all of our assets available for distribution upon winding up of the affairs our Company; and are entitled to one non-cumulative vote per share on all matters on which shareholders may vote at all meetings of the shareholders.

The shareholders are not entitled to preference as to dividends or interest; preemptive rights to purchase in new issues of shares; preference upon liquidation; or any other special rights or preferences.

In addition, the shares of common stock are not convertible into any other securities.   There are no restrictions on dividends under any loan or other financing arrangements.

Dividend Policy

As of June 30, 2010 we have not paid any cash dividends to stockholders. The declaration of any future cash dividends, if any, will be at the discretion of the Board of Directors and will depend on our earnings, if any, capital requirements and financial position, general economic conditions and other pertinent conditions. It is our present intention not to pay any cash dividends in the near future.

Change in Control of Our Company

We do not know of any arrangements which might result in a change in control.

Transfer Agent

We have engaged the services of Empire Stock Transfer Inc., 2470 St Rose Parkway, Henderson, Nevada, USA, 89075, to act as transfer and registrar.

Debt Securities and Other Securities

There are no debts or other securities outstanding.

Stock Option Plan

We have never established any form of stock option plan for the benefit of our directors, officers or future employees. We do not have a long-term incentive plan nor do we have a defined benefit, pension plan, profit sharing or other retirement plan.

Bonuses and Deferred Compensation

None

Compensation Pursuant to Plans

None

Pension Table

None

Termination of Employment

There are no compensatory plans or arrangements, including payments to be received from Portage, with respect to any person named in Summary of Compensation set out above which would in any way result in payments to any such person because of his resignation, retirement, or other termination of such person's employment with Portage, or any change in control of Portage, or a change in the person's responsibilities following a change in control of Portage.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Transactions with Management and Others

Except as indicated below, there were no material transactions, or series of similar transactions, since inception of Portage, or any currently proposed transactions, or series of similar transactions, to which Portage was or is to be a party, in which the amount involved exceeds $120,000, and in which any director or executive officer, or any security holder who is known by Portage to own of record or beneficially more than 5% of any class of Portage’s common stock, or any member of the immediate family of any of the foregoing persons, has an interest.

Indebtedness of Management

There were no material transactions, or series of similar transactions, since inception of Portage, or any currently proposed transactions, or series of similar transactions, to which Portage was or is to be a part, in which the amount involved exceeded $120,000 and in which any director or executive officer, or any security holder who is known to Portage to own of record or beneficially more than 5% of the common shares of Portage’s capital stock, or any member of the immediate family of any of the foregoing persons, has an interest.

Conflicts of Interest

None of our officers and directors is a director or officer of any other company involved in the mining industry. However, there can be no assurance such involvement in other companies in the mining industry will not occur in the future. Such potential future involvement could create a conflict of interest.

To ensure that potential conflicts of interest are avoided or declared, the Board of Directors adopted, on August 15, 2006, a Code of Ethics for the Board of Directors (the “Code”). Portage’s Code embodies our commitment to such ethical principles and sets forth the responsibilities of Portage and its officers and directors to its shareholders, employees, customers, lenders and other organizations. Our Code addresses general business ethical principles and other relevant issues.

Transactions with Promoters

Portage does not have promoters and has no transactions with any promoters.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

(1) Audit Fees

The aggregate fees billed by the independent registered accountants for the period ended May 31, 2010 for professional services for the review of the quarterly financial statements as at August 31, November 30, 2009 and February 28, 2010, annual financial statements as of May 31, 2010 and services that are normally provided by the accountants in connection with statutory and regulatory filings or engagements for those period years were as follows: $500 for each of the quarters ended August 31 and November 30, 2009 and February 28, 2010 and $2,750 for the audit of May 31, 2010.

(2) Audit-Related Fees

The aggregate fees billed in each of the two periods mentioned above for assurance and related services by the principal accountants that are reasonably related to the performance of the audit or review of Portage's financial statements and are not reported under Item 9 (e)(1) of Schedule 14A was NIL.

(3) Tax Fees

The aggregate fees billed in May 31, 2010 for professional services rendered by the principal accountants for tax compliance, tax advice, and tax planning was NIL.

(4) All Other Fees

During the period from inceptions to May 31, 2010 there were no other fees charged by the principal accountants other than those disclosed in (1) and (3) above.

(5) Audit Committee's Pre-approval Policies

At the present time, there are not sufficient directors, officers and employees involved with Portage to make any pre-approval policies meaningful. Once Portage has elected more directors and appointed directors and non-directors to the Audit Committee it will have meetings and function in a meaningful manner.

(6) Audit Hours Incurred

The principal accountants did not spend greater than 50 percent of the hours spent on the accounting by Portage's internal accountant.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) (1) Financial Statements. The following financial statements are included in this report:

(a) (2) Financial Statement Schedules

The following financial statement schedules are included as part of this report:

None.

(a) (3) Exhibits

The following exhibits are included as part of this report by reference:

3.1 Certificate of Incorporation (incorporated by reference from Portage's Registration Statement on Form SB-2 filed on July 16, 2007, Registration No. 333-144585)

3.2 Articles of Incorporation (incorporated by reference from Portage's Registration Statement on Form SB-2 filed on July 16, 2007, Registration No.333-144585)

3.3 By-laws (incorporated by reference from Portage's Registration Statement on Form SB-2 filed on July 16, 2007, Registration No. 333-144585)

4 Stock Specimen (incorporated by reference from :Portage's Registration Statement on Form SB-2 filed on July 16, 2007, Registration No. 333-144585)

10.1 Transfer Agent and Registrar Agreement (incorporated by reference from Portage's Registration Statement on Form SB-2 filed on July 16, 2007 Registration No. 333-144585)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PORTAGE RESOURCES INC.
(Registrant)

By: MARTINE CARON
Martine Caron
Chief Executive Officer,
President and Director

Date:

Pursuant to the requirements of the Securities Act of 1934, 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: MARTINE CARON
Martine Caron
Chief Executive Officer,
President and Director

Date: August 30, 2010

By: RUSSELL JAMES
Russell James
Chief Accounting Officer,
Chief Financial Officer and Director

Date: August 30, 2010

MADSEN & ASSOCIATES CPA's INC.
Certified Public Accountants and Business Consultants

684 East Vine Street, #3
Murray, Utah, 84107

Telephone 801-268-2632
Fax 801-262-3978

Board of Directors
Portage Resources, Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying balance sheets of Portage Resources, Inc. (pre-exploration stage company) at May 31, 2010 and 2009, and the related statement of operations, changes in stockholders' equity, and cash flows for the years ended May 31, 2010 and 2009 and for period from July 20, 2006 (date of inception) to May 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have nor were we engaged to perform an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness for the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Portage Resources, Inc. at May 31, 2010 and 2009, and the results of operations and cash flows for years ended May 31, 2010 and 2009 and for the period from July 20, 2006 (date of inception) to May 31, 2010, in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company will need additional working capital for its planned activities and to service its debt, which raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are described in the notes to the financial statements. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Murray, Utah

MADSEN & ASSOCIATES, CPA's INC.

August 20, 2010

PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
BALANCE SHEETS

	May 31, 2010	May 31, 2009
ASSETS		
CURRENT ASSETS		
Cash	$ 832	$ 6,125
Total Current Assets	$ 832	$ 6,125
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
CURRENT LIABILITIES		
Accounts payable	$ 24,059	$ 19,173
Accounts payable – related parties	95,983	86,098
Total Current Liabilities	120,042	105,271
STOCKHOLDERS' DEFICIENCY		
Common stock		
500,000,000 shares authorized, at $0.001 par value;		
63,720,000 shares issued and outstanding	63,720	63,720
Capital in excess of par value	(37,670)	(42,870)
Deficit accumulated during the pre-exploration stage	(145,260)	(119,996)
Total Stockholders' Deficiency	(119,210)	(99,146)
	$ 832	$ 6,125

The accompanying notes are an integral part of these financial statements.

PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
STATEMENT OF OPERATIONS

For the years ended May 31, 2010 and 2009 and for the period from July 20, 2006 (date of inception) to May 31, 2010

	Year Ended May 31, 2010	Year ended May 31, 2009	Date of Inception to May 31, 2010
REVENUES	$ -	$ -	$ -
EXPENSES:			
Exploration, staking and geological report	-	1,909	11,512
Administrative	25,264	28,695	133,748
NET LOSS FROM OPERATIONS	$ (25,264)	$ (30,604)	$(145,260)
NET LOSS PER COMMON SHARE			
Basic and diluted	$ (0.00)	$ (0.00)	
AVERAGE OUTSTANDING SHARES			
Basic	63,720,000	63,720,000	

The accompanying notes are an integral part of these financial statements.

PORTAGE RESOURCES INC.
(Pre-Exploration Stage Company)
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
Period July 20, 2006 (date of inception) to May 31, 2010

	Common Shares	Stock Amount	Capital in Excess of Par Value	Accumulated Deficit
Balance July 20, 2006	-	$ -	$ -	$ -
Issuance of common shares for cash February 21, 2007	48,000,000	48,000	(46,800)	-
Issuance of common shares for cash May 31, 2007	15,720,000	15,720	3,930	
Net operating loss for the period July 20, 2006 (date of Inception) to May 31, 2007	-	-	-	(24,806)
Balance as at May 31, 2007	63,720,000	63,720	(42,870)	(24,806)
Net operating loss for the year ended May 31, 2008	-	-	-	(64,586)
Balance as at May 31, 2008	63,720,000	63,720	(42,870)	(89,392)
Net operating loss for the year ended May 31, 2009	-	-	-	(30,604)
Balance as at May 31, 2009	63,720,000	63,720	(42,870)	(119,996)
Contributed capital – expenses	-	-	5,200	-
Net operating loss for the year ended May 31, 2010	-	-	-	(25,264)
Balance as at May 31, 2010	63,720,000	$ 63,720	$ (37,670)	$ (145,260)

The accompanying notes are an integral part of these financial statements

PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
STATEMENT OF CASH FLOWS

For the years ended May 31, 2010 and 2009 and for the period from July 20, 2006 (date of inception) to May 31, 2010

	Year ended May 31, 2010	Year ended May 31, 2009	Date of inception to May 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (25,264)	$ (30,604)	$ (145,260)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Changes in accounts payable	4,886	4,031	24,059
Net Cash Provided (Used) in Operations	(20,378)	(26,573)	(121,201)
CASH FLOWS FROM INVESTING ACTIVITIES:	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Capital contributions - expenses	5,200	-	5,200
Proceeds from loan from related party	9,885	27,941	95,983
Proceeds from issuance of common stock	-	-	20,850
	15,085	27,941	122,033
Net (Decrease) Increase in Cash	(5,293)	1,368	832
Cash at Beginning of Period	6,125	4,757	-
CASH AT END OF PERIOD	$ 832	$ 6,125	$ 832

The accompanying notes are an integral part of these financial statements

PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
May 31, 2010

1. ORGANIZATION

The Company, Portage Resources Inc., was incorporated under the laws of the State of Nevada on July 20, 2006 with the authorized common stock of 200,000,000 shares at $0.001 par value. On May 1, 2008, the Secretary of State for Nevada approved an amendment to the Articles of Incorporation where the total number of shares of common stock was increased to 500,000,000 shares of common stock with a par value of $0.001 per share.

The Company was organized for the purpose of acquiring and developing mineral properties. The Company has not established the existence of a commercially minable ore deposit and therefore has not reached the exploration stage and is considered to be in the pre-exploration stage. During the year the Company allowed the mineral claim to lapse without renewing it and has no longer any rights to the minerals thereon nor does it have any liability associated with it. The Company is seeking other minerals claims to explore and determine if there is a commercially viable ore reserve located on them.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Methods

The Company recognizes income and expenses based on the accrual method of accounting.

Dividend Policy

The Company has not yet adopted a policy regarding payment of dividends.

Basic and Diluted Net Income (loss) Per Share

Basic net income (loss) per share amounts are computed based on the weighted average number of shares actually outstanding. Diluted net income (loss) per share amounts are computed using the weighted average number of common and common equivalent shares outstanding as if shares had been issued on the exercise of the common share rights unless the exercise becomes antidulutive and then only the basic per share amounts are shown in the report.

Income Taxes

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws that will be in effect, when the differences are expected to be reversed. An allowance against deferred tax assets is recorded, when it is more likely than not, that such tax benefits will not be realized.

On May 31, 2010 the Company had a net operating loss carry forward of $145,260 for income tax purposes. The tax benefit of approximately $43,600 from the loss carry forward has been fully offset by a valuation reserve because the future tax benefit is undeterminable since the Company is unable to establish a predictable projection of operating profits for future years. Losses will expire on 2030.

PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
May 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Foreign Currency Translations

Part of the transactions of the Company were completed in Canadian dollars and have been translated to US dollars as incurred, at the exchange rate in effect at the time, and therefore, no gain or loss from the translation is recognized. The functional currency is considered to be US dollars.

Revenue Recognition

Revenue is recognized on the sale and delivery of a product or the completion of a service provided.

Advertising and Market Development

The company expenses advertising and market development costs as incurred.

Financial Instruments

The carrying amounts of financial instruments are considered by management to be their fair value due to their short term maturities.

Impairment of Long-lived Assets

The Company reviews and evaluates long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. The assets are subject to impairment consideration under ASC 360-10-35-17 if events or circumstances indicate that their carrying amounts might not be recoverable. When the Company determines that an impairment analysis should be done, the analysis will be performed using rules of ASC 930-360-35, Asset Impairment, and 360-10-15-3 through 15-5, Impairment or Disposal of Long-Lived Assets.

Mineral Property Acquisition Costs

Cost of acquisition and option costs of mineral rights are capitalized upon acquisition. Mine development costs incurred to develop new ore deposits, to expand the capacity of mines, or to develop mine areas substantially in advance of current production are also capitalized once proven and probable reserves exist and the property is a commercially mineable property. Cost incurred to maintain current production or to maintain assets on a standby basis are charged to operations. If the Company does not continue with exploration after the completion of the feasibility study, the mineral rights will be expensed at that time. Costs of abandoned projects are charged to mining costs including related property and equipment costs. To determine if these costs are in excess of their recoverable amount periodic evaluation of carrying value of capitalized costs and related property and equipment costs are based upon expected future cash flows and/or estimated salvage value in accordance with Accounting Standards Codification (ASC) 360-10-35-15, Impairment or Disposal of Long-Lived Assets.

PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
May 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Mineral Property Acquisition Costs - Continued

Various factors could impact our ability to achieve forecasted production schedules. Additionally, commodity prices, capital expenditure requirements and reclamation costs could differ from the assumptions the Company may use in cash flow models used to assess impairment. The ability to achieve the estimated quantities of recoverable minerals from exploration stage mineral interests involves further risks in addition to those factors applicable to mineral interests when proven and probable reserves have been identified, due to lower level of confidence that the identified mineralized material can ultimately be mined

Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with general accepted accounting principles. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

Statement of Cash Flows

For the purposes of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Environmental Requirements

At the report date environmental requirements related to the mineral claim acquired are unknown and therefore any estimate of any future cost cannot be made.

Recent Accounting Pronouncements

The Company does not expect that the adoption of other recent accounting pronouncements will have a material impact on its financial statements.

3. AQUISITION OF MINERAL CLAIM

In late 2006, the Company had the ROK 1-20 claims staked and ownership put into its own name. In December 2009, the Company allowed its mineral claims to lapse without any work being performed on it. The Company has no further rights to the minerals on the claim nor does it have any liabilities.

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PORTAGE RESOURCES INC.
(Pre-exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
May 31, 2010

3. AQUISITION OF MINERAL CLAIM - Continued

The acquisition costs have been impaired and expensed because there has been no exploration activity nor has there been any reserve established and we cannot currently project any future cash flows or salvage value for the coming year and the acquisition costs will not be recoverable.

4. SIGNIFICANT TRANSACTIONS WITH RELATED PARTY

Officers-directors and their families have acquired 75% of the common stock issued and have made no interest, demand loans to the Company of $95,983 and contribution to expenses in the amount of $5,200.

Officers-directors are compensated for their services in the amount of a total $1,000 per month starting February 1, 2007 which ended in February 2010.

5. CAPITAL STOCK

On February 21, 2007, Company completed a private placement consisting of 48,000,000 post split common shares sold to directors and officers for a total consideration of $1,200. On May 31, 2007, the Company completed a private placement of 15,720,000 common shares for a total consideration of $19,650.

On April 30, 2008, the directors of the Company approved a resolution to forward split the common shares of the Company on the basis of the issuance of 39 new shares for one existing share of common stock presently held (the "Forward Split"). As a result of the Forward Split every one outstanding share of common stock was increased to forty shares of common stock. As at May 31, 2010, there were 63,720,000 common shares issued and outstanding. The 63,720,000 post split common shares are shown as split from the date of inception.

6. GOING CONCERN

The Company intends to seek business opportunities that will provide a profit. However, the Company does not have the working capital necessary to be successful in this effort and to service its debt, which raises substantial doubt about its ability to continue as a going concern.

Continuation of the Company as a going concern is dependent upon obtaining additional working capital from its President, Martine Caron, and the management of the Company has developed a strategy, which it believes will accomplish this objective through additional loans from related parties, and equity funding, which will enable the Company to operate for the coming year.

7. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date to date of this report and has found no material subsequent events to report.