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

FORM 10-Q

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

For the yearly period ended June 30, 2008

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

For the transition period from _____ to _____

Commission file number 000-30919

PROSPERO MINERALS CORP.

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

Incorporated in the State of Nevada
(State or other jurisdiction of incorporation or organization)

33-1059313
(I.R.S. Employer Identification No.)

575 Madison Avenue, 10th Floor, New York, New York, 10022-2511
(Address of principal executive offices)

239-243-0782
(Issuer's telephone number)

Check mark whether the issuer (1) 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 as 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 a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

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

Class	Outstanding at June 30, 2008
Common Stock - \$0.0001 par value	174,738,941

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

PART I - FINANCIAL INFORMATION**Item 1. Financial Statements.****PROSPERO MINERALS CORP.
(A Exploration Stage Company)****Quarterly Report on Form 10-Q for the
Period Ending June 30, 2008**

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements (Unaudited)**

Prospero Minerals Corp.'s unaudited financial statements for the quarter ended June 30, 2008 are included with this Form 10-Q. The unaudited financial statements for the quarter ended March 31, 2008 include:

Condensed Consolidated Balance Sheets:

March 31, 2008 and June 30, 2008

Condensed Consolidated Statements of Losses:

Three Months Ended June 30, 2008 and June 30, 2007

For the Period July 23, 2002 (Date of Inception) through June 30, 2008

Condensed Consolidated Statements of Deficiency in Stockholders' Equity

For the period July 23, 2002 (Date of Inception) through June 30, 2008

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Three Months Ended June 30, 2008 and 2007

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The unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three months ended June 30, 2008 are not necessarily indicative of the results that can be expected for the fiscal year ending March 31, 2009. The financial statements have been reviewed and are on file with Prospero's auditor.

PROSPERO MINERALS CORP.
(A EXPLORATION STAGE COMPANY)
CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited)		(Unaudited)
	June 30, 2008		March 31, 2008
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalent	\$ 7,605,105	\$	5,105
Subscription Receivables	6,156,912		6,156,912
Accounts Receivable			
Deposit			
Sub Total	13,762,017		6,162,017
Cavitation	179,580,438		179,580,438
Capital Assets, (net of accumulated depreciation of \$95,345)	420,600		420,600
TOTAL ASSETS	\$ 193,763,055	\$	186,163,055
LIABILITIES AND (DEFICIENCY IN) STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payables	\$ 1,339,535	\$	1,310,834
Accrued Liabilities	23,469		23,469
Advances from related parties (Note B)			
TOTAL CURRENT LIABILITIES	1,363,004		1,334,303
(DEFICIENCY IN) STOCKHOLDERS' EQUITY			
Preferred Stock, par value \$.001 per share; 10,000,000 shares authorized; none issued and outstanding at March 31, 2008 and June 30, 2008. (Note C)			
Common stock, par value \$.0001 per share; 290,000,000 shares authorized; 172,713,941 and 174,738,941 shares issued and outstanding at March 31, 2008 and June 30, 2008 respectively. (Note C)	2,740,714		2,740,714
Additional paid-in-capital	186,661,881		185,081,861
Shares Subscribed			
Accumulated deficit during exploration stage	(3,022,524)		(2,993,823)
(Deficiency) in Stockholders' Equity	192,400,051		184,828,752
Total Liabilities and (Deficiency in) Stockholders' Equity	\$ 193,763,055	\$	186,163,055

See accompanying notes to the unaudited condensed consolidated financial information

PROSPERO MINERALS CORP.
(A EXPLORATION STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF LOSSES

	For the three months ended June 30,		For the period from July 23, 2002 (date of inception) through June 30, 2008
	2008	2007	
Costs and Expenses:			
General and Administrative	\$ 28,701	83,479	\$ 1,873,707
Mineral Exploration		495,000	1,148,817
Total Operating Expense	28,701	578,479	-3,022,524
Loss from Operations	28,701	-578,479	-3,022,524
Net Loss	\$ - 28,701	-578,479	\$ -3,022,524
Loss per common share (basic and assuming dilution)	\$ (0.10)	(0.10)	
Weighted average common shares outstanding	174,738,941	120,713,941	

See accompanying notes to the unaudited condensed consolidated financial information

PROSPERO MINERALS CORP.
(A EXPLORATION STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF DEFICIENCY IN STOCKHOLDERS' EQUITY
FOR THE PERIOD JULY 23, 2002 (DATE OF INCEPTION) TO MARCH 31, 2008

	Common Shares	Stock Amount	Additional Paid-in Capital	Deficit Accumulated During Exploration Stage	Total
Issuance of common stock in July 2002 for cash at \$0.01 per share	5,500,000	\$ 5,500	\$ 49,500	\$	\$ 55,000
Shares issued in August 2002 for cash at \$.01 per share, net of costs	3,760,000	3,760	33,840		37,600
Shares issued in February 2003 for cash at \$.50 per share, net of costs	10,500	11	5,526		5,537
Net Loss	-	-	-	(5,324)	(5,324)
Balance at March 31, 2003	9,270,500	9,271	88,866	(5,324)	92,813
Net Loss	-	-	-	(86,266)	(86,266)
Balance at March 31, 2004	9,270,500	9,271	88,866	(91,590)	6,547
Net Loss				(62,076)	(62,076)
Balance at March 31, 2005	9,270,500	9,271	88,866	(153,666)	(55,529)
Net loss				(17,886)	(17,886)
Balance at June 30, 2005	9,270,500	9,271	88,866	(171,552)	(73,415)
Net Loss				(339,654)	(339,654)
Balance at March 31, 2006	89,270,500	89,271	429,466	(511,206)	7,531
Net Loss				(604,614)	(604,614)
Shares Issued	198,441	198	291,395		291,593
Balance at June 30, 2006	89,468,941	89,469	720,861	(1,115,820)	(305,490)
Net Loss				(987,368)	(987,368)
Balance at Sept. 30, 2006	89,468,941	89,469	720,861	(2,103,188)	(1,292,858)
Net Loss				(203,871)	(203,871)
Shares Issued	11,245,000	11,245	1,000		12,245
Balance at Dec. 31, 2006	100,713,941	100,714	721,861	(2,307,059)	(1,484,484)
Net Loss				(47,544)	(47,544)
Balance at March 31, 2007	100,713,941	100,714	721,861	(2,354,603)	(1,532,028)
Net Loss				(578,479)	(578,479)
Shares Issued	20,000,000	2,000,000			2,000,000
Balance at June 30, 2007	120,713,941	2,100,714	721,861	(2,933,082)	(110,507)
Net Loss				(10,234)	(10,243)
Balance at Sept. 30, 2007	120,713,941	2,100,714	721,861	(2,943,316)	(120,741)
Net Loss				(34,176)	(34,176)
Shares Issued	52,000,000	520,000	52,201,861		52,721,861
Balance at Dec. 31, 2007	172,713,941	2,620,714	52,923,722	(2,977,492)	52,566,944
Net Loss				(16,331)	(16,331)
Shares Issued					121,000,000
Balance at Mar 31, 2008	172,713,941	2,620,714	52,923,722	(2,993,823)	172,828,752
Net Loss				(28,701)	(28,701)
Shares Issued	2,025,000	20,000	1,599,750		1,600,020
Unrealized gain on Sale of Share					6,000,000
Balance at June 30, 2008	174,738,941	2,640,714	54,523,472	(3,022,524)	192,400,091

PROSPERO MINERALS CORP.
(A EXPLORATION STAGE COMPANY)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the three months ended June 30,		For the period from July 23, 2002 (date of inception) through June 30, 2008
	2008	2007	
INCREASE (DECREASE) IN CASH AND EQUIVALENTS			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss from exploration stage operations	\$ (28,701)	\$ (578,479)	\$ (3,022,524)
Depreciation and Amortization	10,594	52,969	95,345
Adjustments to reconcile net loss from exploration stage operations to cash used for operating activities:			
Prepaid and Deposits			
Subscription Receivable		156,912	6,156,912
Accounts Receivable			40,000
Accounts payable and accrued expenses	<u>28,701</u>	72,986	<u>1,363,004</u>
NET CASH (USED IN) OPERATING ACTIVITIES	10,594	(295,612)	4,632,737
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from sale of common stock and stock subscription, net of costs			8,410,330
Proceeds from related parties advances, net of repayments			1,191,028
Payment for assets purchase			<u>(420,600)</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES			9,180,758
NET CASH USED IN INVESTING ACTIVITIES			
NET (DECREASE) INCREASE IN CASH AND EQUIVALENTS	7,600,000	101	7,605,086
Cash and cash equivalents at the beginning of the period	5,105	19	19
Cash and cash equivalents at the end of the period	\$ 7,605,105	\$ 120	\$ 7,605,105
Supplemental Disclosures of Cash Flow Information			
Cash paid during the period for interest	-	-	-
Income taxes paid	-	-	-

See accompanying notes to the unaudited condensed consolidated financial information

PROSPERO MINERALS CORP.
(A Exploration Stage Company)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION
JUNE 30, 2008
(unaudited)

NOTE A-SUMMARY OF ACCOUNTING POLICIES

General

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Accordingly, the results from operations for the three month period ended June 30, 2008, are not necessarily indicative of the results that may be expected for the year ended March 31, 2009. The unaudited condensed consolidated financial statements should be read in conjunction with the consolidated March 31, 2008 financial statements and footnotes thereto included in the Company's SEC Form 10-K.

Business and Basis of Presentation

Prospero Minerals Corp. (the "Company") was reincorporated under the laws of the State of Nevada on July 23, 2002. On May 2003, the Company acquired all of the issued and outstanding shares of CMC Exploration Corp., a British Columbia company. At June 30, 2007 CMC Exploration Corp was dormant. The Company has been in the gold, silver and other mineral exploration business since its formation. The Company has not commenced significant operations and is considered a development stage Company, as defined by Statement of Financial Accounting Standards No. 7 ("SFAS 7"). To date the Company has not generated any revenues, has incurred expenses, and has sustained losses. Consequently, its operations are subject to all risks inherent in the establishment of a new business enterprise. For the period from inception through June 30, 2008, the Company has accumulated losses of \$ 3,022,524.

The consolidated financial statements include the accounts of Prospero Minerals Corp. and its wholly-owned subsidiary, CMC Exploration Corp. Significant inter-company transactions and accounts have been eliminated in consolidation.

Reclassifications

Certain reclassifications have been made in prior year's financial statements to conform to classifications used in the current year.

Stock Based Compensation

In December 2002, the FASB issued Statement of Financial Accounting Standards No. 148 ("SFAS No. 148"), "Accounting for Stock-Based Compensation-Transition and Disclosure-an amendment of SFAS 123." This statement amends SFAS No. 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, this statement amends the disclosure requirements of SFAS No. 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The Company has chosen to continue to account for stock-based compensation using the intrinsic value method prescribed in APB Opinion No. 25 and related interpretations.

PROSPERO MINERALS CORP.
(A Exploration Stage Company)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION
JUNE 30, 2008
(unaudited)

NOTE A-SUMMARY OF ACCOUNTING POLICIES (Continued)

Stock Based Compensation (Continued)

Accordingly, compensation expense for stock options is measured as the excess, if any, of the fair market value of the Company's stock at the date of the grant over the exercise price of the related option. The Company has adopted the annual disclosure provisions of SFAS No. 148 in its financial reports for the year ended March 31, 2008 and 2007 and will adopt the interim disclosure provisions for its financial reports for the subsequent periods. The Company has no awards of stock-based employee compensation outstanding at June 30, 2008.

On December 16, 2004, the Financial Accounting Standards Board (FASB) issued FASB Statement No. 123R (revised 2004), "Share-Based Payment" which is a revision of FASB Statement No. 123, "Accounting for Stock-Based Compensation". Statement 123R supersedes APB opinion No. 25, "Accounting for Stock Issued to Employees", and amends FASB Statement No. 95, "Statement of Cash Flows". Generally, the approach in Statement 123R is similar to the approach described in Statement 123. However, Statement 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro-forma disclosure is no longer an alternative. On April 14, 2005, the SEC amended the effective date of the provisions of this statement. The effect of this amendment by the SEC is that the Company will have to comply with Statement 123R and use the Fair Value based method of accounting no later than the its last quarter of fiscal 2008. Management has not determined the impact that this statement will have on Company's consolidated financial statements.

Segment Information

Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("SFAS 131") establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information for those segments to be presented in interim financial reports issued to stockholders. SFAS 131 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions how to allocate resources and assess performance. The information disclosed herein materially represents all of the financial information related to the Company's principal operating segment.

New Accounting Pronouncements

In March 2005, the FASB issued FASB Interpretation (FIN) No. 47, "Accounting for Conditional Asset Retirement Obligations, an interpretation of FASB Statement No. 143," which requires an entity to recognize a liability for the fair value of a conditional asset retirement obligation when incurred if the liability's fair value can be reasonably estimated. The Company is required to adopt the provisions of FIN 47 no later than the last quarter of its fiscal 2008. The Company does not expect the adoption of this Interpretation to have a material impact on its consolidated financial position, results of operations or cash flows.

PROSPERO MINERALS CORP.
(A Exploration Stage Company)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION
JUNE 30, 2008
(unaudited)

NOTE A-SUMMARY OF ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements (Continued)

In May 2005 the FASB issued Statement of Financial Accounting Standards (SFAS) No. 154, "Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20 and FASB Statement No. 3." SFAS 154 requires retrospective application to prior periods' financial statements for changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. SFAS 154 also requires that retrospective application of a change in accounting principle be limited to the direct effects of the change. Indirect effects of a change in accounting principle, such as a change in non-discretionary profit-sharing payments resulting from an accounting change, should be recognized in the period of the accounting change. SFAS 154 also requires that a change in depreciation, amortization, or depletion method for long-lived, non-financial assets be accounted for as a change in accounting estimate affected by a change in accounting principle. SFAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Early adoption is permitted for accounting changes and corrections of errors made in fiscal years beginning after the date this Statement is issued. The Company does not expect the adoption of this SFAS to have a material impact on its consolidated financial position, results of operations or cash flows.

NOTE B - ADVANCES FROM RELATED PARTIES

During the three months ended June 30, 2008 and the year ended March 31, 2008, entities controlled by the Company's directors advanced funds to the Company for working capital purposes. Total amount due to related parties amounted \$ 0.00 and \$ 0.00 at June 30, 2008 and March 31, 2008, respectively. The amounts advanced are unsecured, non-interest bearing and have no specific terms of repayment.

NOTE C - CAPITAL STOCK

The Company is authorized to issue 290,000,000 shares of common stock with par value of \$.0001 per share. As of March 31, 2008 and June 30, 2008, the Company has no preferred stock issued and outstanding. The Company has 172,713,941 and 174,738,941 shares of common stock issued and outstanding at March 31, 2008 and June 30, 2008 respectively.

Item 2. Management's Plan of Operation.

THE FOLLOWING PRESENTATION OF MANAGEMENT'S PLAN OF OPERATIONS OF PROSPERO MINERALS CORP. SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION INCLUDED HEREIN.

Plan of Operation for the Next Twelve Months

Prospero has not had any significant revenues generated from its business operations since inception. Management expects that the revenues generated from its operations for the next 12 months will not be enough for its required working capital. Until Prospero is able to generate any consistent and significant revenue it may be required to raise additional funds by way of equity.

At any phase of its plan of operations set out below, if Prospero finds that it does not have adequate funds to complete a phase, it may have to suspend its operations and attempt to raise more money so it can proceed with its business operations. If Prospero cannot raise the capital to proceed it may have to suspend operations until it has sufficient capital. However, management expects to raise the required funds for the next 12 months through equity financing and with revenues generated from its business operations.

To become profitable and competitive, Prospero needs to have at least one of its Joint Ventures, Advanced Cavitation Technology launched or Property Developments to begin and sustain production. To achieve this goal, management has prepared the following phases for Prospero's plan of operation for the next 12 months.

Prospero Minerals Corp. through its largest shareholder, Cavitation Concepts Corporation Limited has signed and completed a Joint Venture Proposal using the private label of “MIC” Mechanically Induced Cavitation, which is owned by Prospero Minerals Corp. with Pyramid Power for its Water & Energy Turbine Technology (“WETTECH”).

This Agreement calls for a \$50,000.00 Licensing Fee along with 5,000,000 shares of non-restrictive Prospero Minerals Corp. stock of which will be funded by Cavitation Concepts Corporation Limited.

The “WETTECH” Water & Energy Turbine Technology operating system is the application system created by combining the “MIC” Technology with a wind turbine and a steam turbine, which used together, produces steam from ocean, lake, river, well, or any impure water source, which will purify the water for drinking while the steam turbine generates electricity.

Together, they are working on the following Marketing Strategy:

1-ACT –Advanced Cavitation Technology is built, patent applied for, and working perfectly on a mobile trailer mounted demonstrator unit currently located in Atlanta, Georgia and a second Beta Test Unit in Northern Italy. We also have a trailer mounted demonstrator unit which has been located in Nassau, Bahamas since 2003.

2-ACT video available on www.prosperominerals.com or www.pyramidpowersystems.com along with Power Point Presentation of Philosophy, Commitment Statement, Executive Summary, Technology Comparisons, and related new items and applications.

3-ACT is featured as part of the WETTECH – Water & Energy Turbine Technology as used in the Pyramid Power Stewardship System.

4-The agreed strategy is to NOT sell any of the new technology or application systems, but rather, sell only the water and energy products made by Pyramid Power.

5-The plan is to finance the building of each Pyramid Power, power and water production unit, and profit from the sale of power, water, and residual products.

6-We will become an international utility provider of power and water to the world, marketing to and distributing through the existing utility companies, and making environmentally friendly “green” energy at reduced prices.

7-Build a new, larger scale Beta Site in the Bahamas, using the new ACT as featured in the WETTECH – Water & Energy Turbine Technology, powered by a vertical-axis wind turbine, to accurately measure the productions capacities of electricity and pure water.

8-Our plan is to sell Licenses for Profit Sharing Joint Ventures for \$1 million to \$5 million for each State, Country, territory, or business, depending on the location, population or application.

Mr. Hubert Pinder, CFO of Prospero Minerals Corp. declares “Therefore, instead of using electricity or other environmentally polluting fossil fuels to create the energy to clean water, ‘WETTECH’ systems clean and purify water from any source and produce electricity as a by-product of the process, producing both POWER & WATER.” Cavitation Concepts Corporation Limited first launched this “MIC” Technology in February 2003 in Nassau, Bahamas.

Forward Looking Statements

This report on Form 10-QSB contains certain forward-looking statements within the meaning of Section 21e of the *Securities Exchange Act of 1934*, as amended, and other applicable securities laws. All statements other than statements of historical fact are “*forward-looking statements*” for purposes of these provisions, including any projections of earnings, revenues, or other financial items; any statements of the plans, strategies, and objectives of management for future operation; any statements concerning proposed new products, services, or explorations; any statements regarding future economic conditions or performance; statements of belief; and any statement of assumptions underlying any of the foregoing. Such forward-looking statements are subject to inherent risks and uncertainties, and actual results could differ materially from those anticipated by the forward-looking statements.

Overview

Prospero was incorporated on July 23, 2002, under the laws of the State of Nevada. Prospero was an exploration stage company engaged in the acquisition and exploration of mineral properties.

On June 20, 2006, Prospero Minerals Corp. announced its name change from “Corumel Minerals Corp.” to “Prospero Minerals Corp.” and increased its authorized capital.

On March 28, 2003, Prospero entered into a Property Acquisition Agreement whereby it purchased a 100% interest in six mineral claims known as the Thor Group mineral claims. The Thor Group mineral claims are located near Harrison Lake in the New Westminster Mining Division of the Province of British Columbia.

After Prospero acquired the Thor Group mineral claims it incorporated a wholly owned subsidiary known as CMC Exploration Corporation (“CMC”), a British Columbia corporation, which was formed for the purpose of carrying out Prospero’s mineral exploration program. Upon forming CMC, Prospero transferred all of its 100% ownership interest in the Thor Group mineral claims to CMC.

Liquidity and Capital Resources

Prospero had cash or equivalents of \$7,605,105 as of June 30, 2008, compared to cash in the amount of \$5,105 as of its fiscal year end on March 31, 2008. Prospero had a working capital deficit of (\$3,022,524) as of June 30, 2008, compared to working capital deficit of (\$2,933,823) as of March 31, 2008. Prospero’s liabilities as of June 30, 2008, total \$ 1,363,004 relate to advances from related parties, accounts payable and accrued liabilities, including professional fees for legal and audit services.

Prospero’s independent certified public accountants have stated in their report included in Prospero’s March 31, 2008 Form 10-K, that Prospero has not generated revenues and has incurred operating losses and that Prospero is dependent upon management’s ability to develop profitable operations. These factors among others may raise substantial doubt about the Prospero’s ability to continue as a going concern.

Critical Accounting Policies

Prospero’s discussion and analysis of its financial condition and results of operations, including the discussion on liquidity and capital resources, are based upon its financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Actual results could differ from those estimates. On an on going basis, management re-evaluates its estimates and judgments, including but not limited to, those related to revenue recognition and collectibility of accounts receivable. Critical accounting policies identified are as follows:

Reclamation and Abandonment Costs

The Financial Accounting Standards Board (“*FASB*”) issued Statement of Financial Accounting Standards No. 143 (“*SFAS 143*”), “*Accounting for Asset Retirement Obligations*” which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. This statement establishes a uniform methodology for accounting for estimated reclamation and abandonment costs whereby reclamation and closure costs including site rehabilitation will be recorded at the estimated present value of reclamation liabilities and will increase the carrying amount of the related asset. These reclamation costs will be allocated to expense over the life of the related assets and will be adjusted for changes resulting from the passage of time and revisions to either the timing or the amount of the original present value estimate. Prospero’s adoption of SFAS No. 143 did not have a material impact on its operations or financial position.

Internal and External Sources of Liquidity

Prospero has funded its operations primarily from the issuance of common stock.

Inflation

Prospero does not believe that inflation will have a material impact on its future operations.

Off-Balance Sheet Arrangements

Prospero does not have any off-balance sheet arrangements.

Item 3. Controls and Procedures

(a)

Evaluation of disclosure controls and procedures.

The term “disclosure controls and procedures” (defined in SEC Rule 13a-15(e)) refers to the controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Securities Exchange Act of 1934 (the “Exchange Act”) is recorded, processed, summarized and reported within required time periods. The Company’s management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures as of the end of the period covered by this quarterly report (the “Evaluation Date”). Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer has concluded that, as of the Evaluation Date, such controls and procedures were effective.

(b)

Changes in internal controls.

The term “internal control over financial reporting” (defined in SEC Rule 13a-15(f)) refers to the process of a company that is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company’s management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated any changes in the Company’s internal control over financial reporting that occurred during the fiscal quarter covered by this quarterly report, and they have concluded that there was no change to the Company’s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II - OTHER INFORMATION**Item 1.****Legal Proceedings**

Prospero is not a party to any pending legal proceedings and, to the best of Prospero’s knowledge, none of Prospero’s assets are the subject of any pending legal proceedings.

Item 2.**Unregistered Sale of Equity Securities and Use of Proceeds**

There have been no sales of unregistered securities within the quarter ended June 30, 2008 that would be required to be disclosed pursuant to Item 701 of Regulation S-B.

Item 3.**Defaults Upon Securities**

None.

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

None.

Item 5. Other Information

On October 31, 2006 Prospero Minerals completed the acquisition from Cavitation Concepts Corporation of all of the assets pertaining to Cavitations' water purification business. In exchange for the assets, Prospero Minerals issued 10 million shares of its common stock to Cavitation Concepts Corporation. The parties valued the shares at \$1,000.00, based on their assessment of the fair value of the transferred assets at that time. Since October 2006, these assets are being properly deployed and utilized in the manner that has taken several years to produce the desired results. This Technology together with the Advanced Cavitation Technology will produce very exciting results with guaranteed revenues for the Company for years to come.

On June 10th 2008, a definitive Purchase Of License Agreement For a Profit Sharing Joint Ventures was entered into with Environmental Energy Enterprises Inc and Cavitation Concepts Corporation Ltd to form a Joint Venture for the purpose of building, marketing, owning, operating, managing, and financing the multiple applications of "ACT" Advanced Cavitation Technology, under the private label of "MIC" Mechanically Induced Cavitation Technologies, with or without "WETTECH" operating systems and/or the Pyramid Power structure, for the purpose of selling Power, water, and other residual products for profit sharing purposes under the terms and conditions as outlined in the Agreement.

Cavitation Concepts Corp owns 100% of another International Business Company named EPOS, which owns Ten Million (10,000,000) shares of Prospero Minerals Corp (PSPO) and has utilized a portion of this asset in consideration of partial payment for this Agreement plus a cash payment of in the amount of \$50,000.00 (Fifty thousand dollars).

As a result of this transaction Prospero Minerals Corp, being owner of 40% of Cavitation Concepts Ltd, has incurred and agreed to issue to Cavitation Concept Corp 2,025,000 unrestricted shares as its portion settlement of payment for the Agreement with Environmental Energy Enterprises Inc.(based on 0.80 cents per share) as originally Agreed with the Company.

The sale of the shares by Prospero Minerals to Cavitations Concepts was exempt pursuant to Section 4(2) of the Securities Act since the sale was not made in a public offering and was made to an entity whose principals had access to detailed information about Prospero Minerals and which was acquiring the shares for its own account. There were no underwriters.

On February 26, 2008 Prospero Minerals Corp. announced its first venture into the real estate market with an acquisition and resort development in Rum Cay, Bahamas through its major shareholder Cavitation Concepts Corporation Limited.

Because of the change in the buyers of the Rum Cay properties along with the increase of oil prices and devaluation of the US dollar, these circumstances had a direct negative effect on the plans for this development. The Management of Cavitation Concepts and Prospero Minerals decided to postpone this development and concentrate on a more direct and profitable business of Water and alternative energy.

This acquisition, along with the New Cavitation Technology and proposed Health Care Facilities, soon to be developed in the Caribbean, now places Cavitation Concepts Corporation Limited and Prospero Minerals Corp. in a unique position to expand into the tourism, Real Estate sales and construction business.

To improve the balance in the expanding business areas, as of February 26, 2008, Prospero Minerals also reported a reorganization of the Board of Directors. As a result of a Board of Directors meeting, the following changes to the board were announced: Ms. Etoile Pinder, currently the CEO/Secretary will step down from these executive duties and will remain as a Director, Officer and Secretary of the Company and Mr. James A. Cercone has been elected to the Board of Directors and will assume the position of CEO.

Results of Operations

Prospero did not earn any revenues from inception through the reporting period ending March 31, 2007. Prospero does not anticipate earning revenues until such time as it has entered into commercial production of mineral properties, the sale of its potable water products and the development of its Resort and other technologies as outlined in the Management Proposal for Operations during the first quarter of 2008..

Prospero incurred expenses in the amount of \$ 28,701 for the three month period June 30, 2008. From the period on inception on July 23, 2002 to June 30th, 2008, Prospero incurred expenses in the amount of \$ 3,022,524. These operating expenses were primarily related to professional fees in connection with Prospero's corporate organization relating to audit fees and legal fees. Prospero anticipates its operating expenses will increase as it undertakes its plan of operations. This increase will be attributable to further acquisitions and mergers and the professional fees associated with complying with the reporting requirements under the *Securities Exchange Act of 1934* .

Prospero incurred a loss in the amount of (\$ 28,701) for the three month period ended June 30th , 2008 and a profit in the amount of Six million (\$6,000,000) dollars for the period from inception of July 23, 2002 through June 30th, 2008. Prospero's profit was entirely attributable to increase in value of assets purchased of Mechanically Induced Cavitation Technology and equipment in October of 2006.

As of August, 2008, Cavitation Concepts and Prospero will commence in building a Beta Site for the operation of Advanced Cavitation Technology to generate electricity and water. Prospero's total expenditures over the next twelve months are anticipated to be approximately \$1 Million dollars. Prospero does have plans to purchase significant equipment and change the number of its employees during this period of time. Accordingly, Prospero will need to obtain additional financing for further property developments and of its investment in Pyramid Power, details of which have already been filed.

Item 6. Exhibits

(a)

Index to and Description of Exhibits

Exhibit	Description	Status
31	Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Included
32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Included

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, Prospero Minerals Corp. has caused this report to be signed on its behalf by the undersigned duly authorized person.

PROSPERO MINERALS CORP.*By: /s/ Hubert L. Pinder*

Name: Hubert L. Pinder
Title : Chief Financial Officer
Dated: July 17, 2008

Exhibit 31

**PROSPERO MINERALS CORP.
CERTIFICATIONS PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

CERTIFICATION

I, Hubert L. Pinder, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Prospero Minerals Corp.;
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 issuer 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-15(e) and 15d-15(e) for the small business issuer and we have:
 - a) designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the 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 as of the end of the period covered by this report based on such evaluation; and
 - c) presented in this report any change in the small business issuer's internal controls 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 officers and I have disclosed, based on our most recent evaluation of internal controls 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 function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial data; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Date: July 17, 2008

By:/s/ Hubert L. Pinder

Mr. Hubert L. Pinder
Chief Financial Officer

Exhibit 32

**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 Prospero Minerals Corp. ("Prospero") on Form 10-QSB for the period ending June 30, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Hubert L. Pinder, Chief Financial Officer, certify, pursuant to s.906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report 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 Prospero.

By: /s/ Hubert L. Pinder

Mr. Hubert L. Pinder
Chief Financial Officer
July 17 2008
