NEW OROPERU RESOURCES INC.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in US dollars)

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of New Oroperu Resources Inc. are the responsibility of the Company's management. The consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles and reflect management's best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded and financial information is reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal control through an audit committee, which is comprised primarily of non-management directors. The Audit Committee reviews the results of the audit and the annual consolidated financial statements prior to their submission to the Board of Directors for approval.

The consolidated financial statements as at December 31, 2010 and 2009 and for the years then ended have been audited by Smythe Ratcliffe LLP, Chartered Accountants, and their report outlines the scope of their examination and gives their opinion on the consolidated financial statements.

"K. Wayne Livingstone"	*"Aris Morfopoulos"*
K. Wayne Livingstone President	Aris Morfopoulos Chief Financial Officer

Vancouver, British Columbia
April 26, 2011

SmytheRatcliffe
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)

We have audited the accompanying consolidated financial statements of New Oroperu Resources Inc. (an exploration stage company), which comprise the consolidated balance sheets as at December 31, 2010 and 2009, and the consolidated statements of operations, shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of New Oroperu Resources Inc. as at December 31, 2010 and 2009, and the results of its operations and cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Smythe Ratcliffe LLP

Chartered Accountants

Vancouver, British Columbia
April 26, 2011

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NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Consolidated Balance Sheets
December 31
(Expressed in US dollars)

		2010		2009
Assets				
Current				
Cash and cash equivalent	**$**	**485,644**	$	703,279
Accounts receivable		**2,671**		2,081
Prepaid expenses		**8,048**		6,498
		496,363		711,858
Mineral Properties (Note 4)		**829,912**		1,004,912
	$	**1,326,275**	$	1,716,770
Liabilities				
Current				
Accounts payable and accrued liabilities	**$**	**53,462**	$	53,006
Shareholders' Equity				
Capital Stock (Note 5)		**25,902,579**		25,902,579
Contributed Surplus		**671,168**		518,893
Deficit		**(25,300,934)**		(24,757,708)
		1,272,813		1,663,764
	$	**1,326,275**	$	1,716,770

Nature of operations (Note 1)
Subsequent event (Note 10)

Approved by the Board:

"K. Wayne Livingstone"
……………………………………………… Director

"Maynard E. Brown"
……………………………………………… Director

The accompanying notes form an integral part of these consolidated financial statements.

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Consolidated Statements of Operations
Years Ended December 31
(Expressed in US dollars)

		2010		2009
Expenses				
Consulting fees (Note 7)		**133,884**		133,974
Directors fees		**34,951**		31,674
General and administration (Note 7)		**259,163**		140,235
Insurance		**11,499**		11,557
Legal and audit		**41,719**		26,156
Property maintenance		**77,085**		73,898
Regulatory fees		**10,709**		7,238
Loss Before Other Items		**569,010**		424,732
Other Items				
Foreign exchange gain		**(33,888)**		(87,839)
Gain on sale of mineral property		**-**		(79,999)
Interest income		**(3,246)**		(5,037)
Write-off of receivable		**11,350**		7,726
		(25,784)		(165,149)
Net Loss and Comprehensive Loss for Year	**$**	**543,226**	$	259,583
Loss Per Share, Basic and Diluted	**$**	**0.03**	$	0.02
Weighted Average Number of Common Shares Outstanding		**16,248,318**		16,248,318

The accompanying notes form an integral part of these consolidated financial statements.

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Consolidated Statements of Shareholders' Equity
Years Ended December 31
Expressed in US dollars

	Number of Shares		Share Capital		Contributed Surplus		Deficit		Total Shareholders' Equity
Balance, December 31, 2008	16,248,318	$	25,902,579	$	504,090	$	(24,498,125)	$	1,908,544
Net loss for year	-		-		-		(259,583)		(259,583)
Stock-based compensation	-		-		14,803		-		14,803
Balance, December 31, 2009	16,248,318		25,902,579		518,893		(24,757,708)		1,663,764
Net loss for year	-		-		-		(543,226)		(543,226)
Stock-based compensation	-		-		152,275		-		152,275
Balance, December 31, 2010	16,248,318	$	25,902,579	$	671,168	$	(25,300,934)	$	1,272,813

The accompanying notes form an integral part of these consolidated financial statements.

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
Years Ended December 31
(Expressed in US dollars)

	2010	2009
Operating Activities		
Net loss	**$ (543,226)**	$ (259,583)
Items not involving cash:		
Stock based compensation (Note 5c)	**152,275**	14,803
Unrealized foreign exchange loss	**23,520**	165,738
Gain on sale of mineral property	**-**	(79,999)
Write-off of receivable	**11,350**	7,726
	(356,081)	(151,315)
Changes in non-cash working capital		
Accounts receivable	**(11,940)**	2,252
Prepaid expenses	**(1,550)**	431
Accounts payable and accrued liabilities	**456**	(5,195)
	(13,034)	(2,512)
Cash Used in Operating Activities	**(369,115)**	(153,827)
Investing activities		
Proceeds from sale of mineral property (Note 4c)	**-**	80,000
Proceeds from mineral property option (Note 4a)	**175,000**	175,000
Cash Provided by Investing Activities	**175,000**	255,000
Foreign Exchange Effect on Cash	**(23,520)**	(165,738)
Decrease in Cash and Cash Equivalent	**(217,635)**	(64,565)
Cash and Cash Equivalent, Beginning of Year	**703,279**	767,844
Cash and Cash Equivalent, End of Year	**$ 485,644**	$ 703,279
Represented by		
Cash	**$ 81,063**	$ 703,279
Term deposit	**404,581**	-
	$ 485,644	$ 703,279
Supplemental Cash Flow Information		
Interest paid	**$ -**	$ -
Income taxes paid	**$ -**	$ -

The accompanying notes form an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

New Oroperu Resources Inc. (the "Company") was incorporated under the laws of British Columbia on October 12, 1994. The Company is in the business of acquiring and exploring mineral properties in Peru and Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The Company is listed on the TSX Venture Exchange and is a reporting issuer in Ontario, Alberta and British Columbia.

The Company is not generating any operating revenue, has never paid dividends, and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at December 31, 2010, the Company has an accumulated deficit of $25,300,934 (2009 - $24,757,708) and incurred a loss of $543,226 (2009 - $259,583) during the years then ended. The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain the necessary equity financing to continue operations and to determine the existence and successful exploitation of economically recoverable reserves in its mineral properties, confirmation of the Company's interests in the underlying properties and the attainment of profitable operations, or realize proceeds from their sale. Management believes the Company has sufficient working capital and cash reserves to maintain current levels of operations and continue as a going concern for the following year.

The Company may periodically need to raise additional funds to fund projects and continue operations. While the Company has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"), which are presented in US dollars.

The following is a summary of significant accounting policies used in the preparation of these consolidated financial statements.

a) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries as follows:

Name	Country of Incorporation
S.A. Mining Ventures Ltd.	Bahamas
Minera Angelica S.A.C.	Peru
Angelica Mining Inc.	Bahamas
T.C. Mining Inc.	Bahamas
687211 B.C. Ltd.	Canada (British Columbia)
Aurifera Tres Cruces S.A. ("Aurifera")	Peru

All intercompany balances and transactions have been eliminated on consolidation.

b) Cash and cash equivalent

The Company considers deposits that are highly liquid, readily convertible to known amounts of cash, redeemable on demand and have original maturities of less than three months from the date of purchase to be cash equivalents. Interest income is recorded as earned on the accrual basis at the stated rate of interest over the term of the investment.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Mineral properties

The Company capitalizes all costs related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property acquisition costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are developed and will be depleted over the useful lives of the properties upon commencement of commercial production, sold, or the Company's mineral rights are abandoned or allowed to lapse at which time they are written off. Costs to investigate new mineral properties where no acquisition is completed are expensed when incurred.

All deferred mineral property expenditures are reviewed, at least annually, on a property-by-property basis to consider whether there are any events or changes in circumstances that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment in value.

The Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts that would be payable or receivable to maintain option rights are not recorded. Option payments are recorded as property costs or recoveries when the option payments are paid or received. Proceeds received on the sale or option of the Company's property is recorded as a reduction of the mineral property cost. The Company recognizes in income those costs that are recovered on mineral properties when amounts received are in excess of the carrying amount.

d) Asset retirement obligations ("ARO")

The Company recognizes an estimate of the liability associated with an ARO in the financial statements at the time the liability is incurred, identified and is reasonably measurable. The estimated fair value of the ARO is recorded as a long-term liability, with a corresponding increase in the carrying amount of the related asset. The liability amount is increased each reporting period due to the passage of time and the amount of accretion is charged to operations in the period. The ARO can also increase or decrease due to changes in the estimates of timing of cash flows or changes in the original estimated undiscounted cost. Actual costs incurred upon settlement of the ARO are charged against the ARO to the extent of the liability recorded. As at December 31, 2010, the Company has determined that it has no material AROs.

e) Foreign currency translation

The Company's functional and reporting currency is the US dollar. Integrated foreign operations are translated using the temporal method. Amounts recorded in foreign currency are translated into US dollars as follows:

(i) Monetary assets and liabilities, at the rate of exchange in effect as at the balance sheet date;
(ii) Non-monetary assets, at historical exchange rates; and
(iii) Revenue and expenses, at the rate of exchange on the date of the transaction.

Gains and losses arising from this translation of foreign currency are included in net loss for the year.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Loss per share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted earnings (loss) per share. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

g) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and losses carried forward. Future tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets is limited to the amount of the benefit that is more likely than not to be realized.

h) Stock-based compensation

The Company has a stock option plan that is described in Note 5 (b). The Company accounts for stock-based compensation using a fair value based method with respect to all stock-based payments to directors, employees and non-employees. For directors and employees, the fair value of the options is measured at the date of grant. For non-employees, the fair value of the options is measured on the earlier of the date at which the counterparty performance is completed or the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable.

The fair value of the options is accrued and charged to operations, with the offset credit to contributed surplus. For directors and employees, the fair value is recognized over the vesting period, and for non-employees the fair value is recognized over the related service period. If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to capital stock. The Company does not incorporate an estimated forfeiture rate for options that will not vest but rather accounts for actual forfeitures as they occur.

i) Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates include the net recoverable amount of mineral properties, determination of AROs, accrued liabilities, the variables used in the calculation of stock-based compensation and determination of valuation allowance for future income tax assets. Management has determined that the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Financial instruments and comprehensive income

All financial instruments are classified as one of the following: held-to-maturity, loans and receivables, held-for-trading, available-for-sale or other financial liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net loss. Financial assets held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) and reported in shareholders' equity. Any financial instrument may be designated as held-for-trading upon initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments.

k) Future accounting changes

(i) International Financial Reporting Standards ("IFRS")

In February 2008 the Canadian Accounting Standards Board confirmed that IFRS will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The Company's first mandatory filing under IFRS, which will be the first quarter of 2011, will contain IFRS-compliant information on a restated comparative basis, as well as reconciliations for that quarter and as at the January 1, 2010 transition date. Other than disclosures, presentation and classifications, management does not anticipate significant differences in its financial reporting processes and feels the Company is fully prepared for transition for its first quarter reporting in 2011.

(ii) Business Combinations

In January 2009, the Canadian Institute of Chartered Accountants issued Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests". These sections replace the former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for accounting for a non-controlling interest in a subsidiary.

Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. Section 1601 establishes standards for the preparation of consolidated financial statements.

These new sections apply to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently.

(Expressed in US dollars)

3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company has designated its cash and cash equivalent as held-for-trading, and accounts payable and accrued liabilities as other financial liabilities. The Company's risk exposure and the impact on the financial instruments are summarized below.

a) Financial instruments

The Company's financial instruments consist of cash and cash equivalent, and accounts payable and accrued liabilities.

b) Cash equivalent

The cash equivalent is a money market savings deposit and is redeemable on demand without penalty and bears interest at 1.20%.

c) Fair value

The carrying values of cash and cash equivalent, and accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

d) Credit risk

The Company is exposed to credit risk with respect to its cash and cash equivalent. The Company manages credit risk, in respect of cash and cash equivalents, by purchasing highly liquid, short-term investment-grade securities held at major Canadian financial institutions.

Concentration of credit risk exists with respect to the Company's cash and cash equivalent as all amounts are held at two major Canadian financial institutions. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	2010	2009
Cash	$ 81,063	$ 703,279
Cash equivalent	404,581	-
Total	$ 485,644	$ 703,729

e) Liquidity risk

Liquidity risk is the risk the Company will encounter difficulty in satisfying financial obligations as they become due. The Company ensures there is sufficient capital in order to meet short-term business requirements. The Company's cash is invested in business accounts, which are available on demand. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company has sufficient cash and cash equivalent at December 31, 2010 to meet existing short-term business requirements for the following year. At December 31, 2010, the Company had accounts payable excluding accrued liabilities of $28,461 (2009 - $28,006), which are due in the first three months of 2011.

3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

f) Market risk

Market risk is comprised of interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company's cash and cash equivalent consists of cash held in bank accounts that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated cash flows or fair values as of December 31, 2010. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

(ii) Foreign currency risk
As at December 31, 2010, the majority of the Company's cash and cash equivalent, and accounts payable and accrued liabilities are denominated in Canadian dollars, the value of which is subject to fluctuation in exchange rates. Cash held in Canada and Peru in US dollars amounted to $15,887 (2009 - $93,006) at December 31, 2010.

At December 31, 2010, the Company is exposed to currency risk as follows:

	Cdn
Cash and cash equivalent	$ 467,236
Accounts payable and accrued liabilities	(27,437)
Net foreign exposure	$ 439,799

The Company does not utilize derivatives or other techniques to manage foreign currency risk.

Based on the above net foreign currency exposure as at December 31, 2010, and assuming all other variables remain constant, a 10% weakening or strengthening of the US dollar against the Canadian dollar would result in an increase/decrease of $43,742 in the Company's loss.

(iii) Other price risk

Mineral prices may fluctuate significantly from period to period, and even if commercial quantities of gold and other minerals are developed, a profitable market may not exist for the sale of such minerals. If a profitable market does not exist, the Company could have to cease operations. The Company is not exposed to significant other price risk.

(Expressed in US dollars)

4. MINERAL PROPERTIES

	Tres Cruces	Estrella	Other Mineral Properties	Total
	(Note 4 (a))	(Note 4 (b))	(Note 4 (c))	
Balance, December 31, 2008	$ 1,179,908	$ 1	$ 4	$ 1,179,913
Sale of mineral property	-	-	(1)	(1)
Option payment received	(175,000)	-	-	(175,000)
Balance, December 31, 2009	1,004,908	1	3	1,004,912
Option payment received	(175,000)	-	-	(175,000)
Balance, December 31, 2010	$ 829,908	$ 1	$ 3	$ 829,912

a) Tres Cruces Project, Peru

In September 2003, the Company entered into an option agreement with Minera Barrick Misquichilca S.A. (“Barrick”) for Barrick to acquire up to a 70% interest in Aurifera, subject to:

(i) Barrick incurring $1,700,000 in exploration expenditures by September 30, 2005 (incurred);
(ii) Barrick making payment to the Company of: $400,000 on execution of the option agreement (paid); $200,000 per year until completion of the $1,700,000 in exploration expenditures (paid); and $250,000 as advance royalty ($175,000, net of Peruvian withholding taxes) per year after completion of the $1,700,000 in exploration expenditures; and
(iii) Barrick making a production decision on or before December 31, 2020.

All exploration expenditures will be payable by Barrick until a production decision is made. Upon making a production decision, Barrick must pay the Company an additional $1,000,000 advance royalty, and following such production decision, the Company, through Aurifera, would retain a 30% interest subject to certain payback provisions, and would also retain a 2% royalty interest.

b) Estrella Project, Peru

The Company has a 100% interest in the 1,800-hectare Estrella Project in Peru. The project is carried at a nominal value of $1.

c) Other mineral properties

The Company owned a 100% interest in two separate mineral properties located in various regions of Peru known as Angelica and El Espigon, which in fiscal 2003 were written down to a nominal value of $1 each.

In 2009 the Company sold a previously written down property (Trucha Dorada I) for $80,000 cash, and recorded a $79,999 gain on the sale.

The Company also owns three mineral leases located in Ontario, Canada, which in fiscal 2002 were written down to a nominal value of $1.

The aggregate carrying value of the Angelica, El Espigon and Ontario leases is $3.

In 2010, the Company incurred aggregate expenses of $72,768 (2009 - $68,059) for property management, administration and taxes on its Peru mineral properties.

4. MINERAL PROPERTIES (Continued)

d) Investment in other mineral property interests

The Company held a 20% share interest in Nuevo Condor Inc. ("Nuevo Condor"), a former subsidiary in the Bahamas. Nuevo Condor holds certain mineral properties and dormant mining interests in Peru. This investment was fully written off in a previous year, as management did not intend to further invest in the project. On May 18, 2010, the Company transferred its interest to the majority owner of Nuevo Condor for $1.

e) Title to mineral property interests

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

f) Realization of assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

g) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

(Expressed in US dollars)

5. CAPITAL STOCK

a) Authorized

Unlimited number of common shares without par value.

b) Stock options

The Company has a stock option plan that authorizes the Board of Directors to grant options for the purchase of up to 3,100,714 common shares. Options granted under the plan vest over a period of 18 months from the date of grant.

Stock options to purchase common shares have been granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of grant.

A summary of the status of the Company's stock options at December 31, 2010 and 2009 and changes during the years then ended is as follows:

	2010		2009	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of year	1,820,000	$ 0.50	1,820,000	$ 0.50
Granted	1,200,000	$ 0.45	-	-
Outstanding, end of year	3,020,000	$ 0.48	1,820,000	$ 0.50
Options exercisable, end of year	2,120,000	$ 0.49	1,820,000	$ 0.50

Stock options outstanding at December 31, 2010 are as follows:

Number of Options				
Outstanding	Exercisable	Exercise Price	Expiry Date	Weighted Average Contractual Life of Options Remaining (Years)
670,000	670,000	$ 0.38	February 3, 2011*	1.09
1,085,000	1,085,000	$ 0.55	June 29, 2012	2.50
65,000	65,000	$ 1.00	January 29, 2013	3.08
1,200,000	300,000	$ 0.45	October 6, 2015	4.76
3,020,000	2,120,000			3.10

* Of the 670,000 options, 150,000 were exercised subsequent to the year-end (Note 10), while the remaining 520,000 expired unexercised subsequent to the balance sheet date.

(Expressed in US dollars)

5. CAPITAL STOCK (Continued)

c) Stock-based compensation

In 2010, the Company recognized stock-based compensation of $152,275 (2009 - $14,803) related to stock options granted during the year. Included in consulting fees is $12,639 (2009 - $Nil), and $139,636 (2009 - $14,803) is included in general and administration for the year. There is $261,853 (2009 - $Nil) in unrecognized stock-based compensation, which will be recognized in future periods as options vest.

For the 1,200,000 stock options granted in 2010, the fair value of each option grant was estimated as at the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions and resulting fair value:

Risk-free interest rate	1.76%
Expected life of the options (years)	5
Annualized volatility	93.58%
Dividend rate	-
Grant date fair value	$0.35

6. INCOME TAXES

As at December 31, 2010, the Company has non-capital losses of approximately $1,379,400 that may be applied against future income for Canadian and Peruvian income tax purposes. The potential future tax benefit of these losses has not been recorded in these financial statements. The losses expire as follows:

2011	$	41,000
2012		400
2014		171,000
2015		95,000
2026		239,000
2027		132,000
2028		254,000
2029		222,000
2030		225,000
	$	1,379,400

Significant components of the Company's future tax assets and liabilities are as follows:

		2010		2009
Future income tax assets				
Tax value in excess of book value of equipment	$	1,052	$	1,001
Non-capital losses carried forward		352,864		328,581
		353,916		329,582
Valuation allowance		(353,916)		(329,582)
	$	-	$	-

(Expressed in US dollars)

6. INCOME TAXES (Continued)

The reconciliation of income tax provision computed at the Canadian statutory tax rate of 28.5% (2009 – 30.0%) to the reported income tax provision is as follows:

	2010	2009
Income tax benefit computed at Canadian statutory rates	$ 154,819	$ 77,875
Foreign tax rates different from statutory rates	(29,007)	(42,581)
Other	(105,384)	27,821
Effect of change in tax rate	(7,629)	1,603
Change in valuation allowance	(12,799)	(64,718)
	$ -	$ -

7. RELATED PARTY TRANSACTIONS

The following services were provided to the Company by companies with common directors or officers, during the years ended December 31, 2010 and 2009:

	2010	2009
Consulting	$ 120,000	$ 120,000
General and administration	64,467	59,510
	$ 184,467	$ 179,510

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount agreed to by the related parties.

8. MANAGEMENT OF CAPITAL

The Company considers shareholders' equity to be capital under management. There has been no change in the nature of the Company's capital during the year ended December 31, 2010. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure at an acceptable risk.

The Board of Directors manages the capital structure and makes adjustments to its plan based on economic and market conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, issue debt, or acquire or dispose of assets.

In order to facilitate the management of capital, the Company prepares expenditure budgets that are updated as necessary depending on factors determined by the Board of Directors.

Management believes current capital resources and access to capital will be sufficient to support and maintain planned operations for the foreseeable future.

There were no changes in the Company's approach to management of capital during the year ended December 31, 2010. The Company is not subject to externally imposed capital requirements.

9. SEGMENTED DISCLOSURE

The Company's only operating segment is mineral exploration and development. Of the Company's assets, $831,243 (2009 - $1,013,965) are located in Peru and $495,032 (2009 - $702,805) are located in Canada.

10. SUBSEQUENT EVENT

In January 2011, the Company issued 150,000 shares and received cash proceeds of $57,000 from the exercise of 150,000 stock options at $0.38 per share.

NEW OROPERU RESOURCES INC.

MANAGEMENT DISCUSSION & ANALYSIS
For the year ended December 31, 2010
(All figures expressed in US dollars)

General

The information in this Management's Discussion and Analysis, or MD&A, is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of New Oroperu Resources Inc. (the "Company" or "New Oroperu"). This MD&A should be read in conjunction with the audited financial statements of the Company, including the notes thereto, for the fiscal year ended December 31, 2010, which are prepared in accordance with Canadian generally accepted accounting principles. This MD&A has taken into account information available up to and including April 26, 2011.

New Oroperu is an exploration stage company engaged in the identification, evaluation, acquisition and exploration primarily of gold properties in Peru. The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange under the symbol ORO.

This MD&A contains forward-looking statements. Please refer to the cautionary language at the end of this document.

Company Overview

The Company's principal asset continues to be the Tres Cruces gold deposit in north central Peru. In 2003 the Company optioned a 70% interest in the Tres Cruces project to a subsidiary of Barrick Gold Corporation.

The Tres Cruces property has an estimated historical measured and indicated resource of 1.7 million oz. gold. This historical resource pre-dates the implementation of National Instrument 43-101 regulations and is therefore deemed non-compliant and not to be relied on. In 2003, subsequent to the historical resource estimation, Oroperu optioned 70% of its 100% interest in the Company´s wholly owned subsidiary Aurifera Tres Cruces S.A. The Tres Cruces project is currently being further explored under the terms of an option agreement with Minera Barrick Misquichilca S.A. ("Barrick"), the operating Peruvian subsidiary of Barrick Gold Corporation. Barrick may earn a 70% interest in Aurifera subject to an underlying 2% royalty that would be retained by the Company.

Nearby the Tres Cruces project, about 10 km. to the north, Barrick invested US$340 million in the development of its Lagunas Norte deposit where production started in June 2005. The Lagunas Norte project has produced an average of approximately 1 million oz. of gold per year since commencement of production.

The Company believes that the proximal location of the Tres Cruces project to Barrick's operations would enhance the economics for the development of the Tres Cruces deposit.

Barrick is currently reviewing metallurgical work and is reviewing budget and permitting requirements for the Tres Cruces project.

The Company's total cash position at December 31, 2010 was $485,644 (2009 – $703,279) and with all the proposed exploration expenditures on the Tres Cruces project being covered by Barrick under its option agreement with the Company, the Company's current cash position is sufficient to meet its projected cash requirements for the year. New Oroperu's working capital position at December 31, 2010 was $442,901 (2009 - $658,852).

MANAGEMENT DISCUSSION & ANALYSIS
For the year ended December 31, 2010
(All figures expressed in US dollars)

Outlook

The Company's Tres Cruces project is dependent on Barrick's plans and decisions relating to its option and ultimately to advance the project through to production. Barrick has maintained the option since 2003, and although there is no certainty, New Oroperu expects that Barrick will continue to maintain its option and advance the project forward to a production decision.

Tres Cruces Project

The Tres Cruces project is a grass roots discovery made by the Company. New Oroperu has an agreement with Barrick granting them an option to acquire up to a 70% interest in Aurifera Tres Cruces S.A., the subsidiary that holds the Tres Cruces project. Barrick's cost to maintain its option on the Tres Cruces property is $250,000 a year. The annual payment is subject to a 30% Peruvian withholding tax. All exploration expenditures deemed necessary by Barrick to make a production decision will be paid by Barrick at no cost to the Company. Following a production decision, we would retain a 30% fully financed interest in Aurifera, a 2% royalty interest and receive a US$1 million advance royalty payment.

In 2007 Barrick significantly increased its level of exploration activity at Tres Cruces. In early 2007, Barrick completed a 5,773 m. diamond drill program on the Tres Cruces Project. This program encountered better grades and also extended mineralization beyond the historical resources. Following the diamond drilling Barrick initiated reverse circulation drilling for the purpose of in-fill drilling and testing the limits of the existing mineralization, as well as some condemnation drilling. In addition, a program of geotechnical drilling was completed comprising 3,925 m. in 20 holes. In 2007 Barrick drilled a total of 24,462 meters. Including minor drilling in 2008 the total drilling on the project is about 73,000 meters.

Some of the deep holes completed by Barrick in 2007 encountered gold and silver mineralization as deep as 350 meters before technical difficulties caused termination of the hole. There is potential for deeper mineralization within the Tres Cruces low sulphidation system such as high grade feeder zones known to exist elsewhere in this type of deposit.

Barrick has completed certain engineering and piezometric studies and continues to monitor its environmental work required for the permitting process. No drilling was completed in 2010. In May 2010 Barrick paid the Company the $250,000 ($175,000 net of withholding tax) payment required to maintain its option on the Tres Cruces property for the next year.

Other Mineral Properties

No field work was conducted during the year.

The Company owns 100% of the 900 hectare Angelica property, another prospective grassroots gold project, situated 5 km. from the Tres Cruces discovery in north central Peru. New Oroperu also has three mineral leases located in Ontario, Canada and it continues to maintain its rights on these properties. No field work was conducted during the year.

The Company will continue to evaluate other precious metals properties in Peru and elsewhere.

Results of Operations

The Company's net loss for the year ended December 31, 2010 was $543,226 (2009 – $259,583). The Company incurred expenditures of $77,085 (2009 - $73,898) on mineral properties, which consisted of property maintenance and direct administration and management. In the year ended December 31, 2010, the Company kept the majority of its cash in Canadian dollars and foreign exchange gain of $33,888 (2009 - $87,839) was the result of the increase in the value of the Canadian dollar.

MANAGEMENT DISCUSSION & ANALYSIS
For the year ended December 31, 2010
(All figures expressed in US dollars)

General and administration expenses of $259,163 were higher than last year (2009 - $140,235), due to non-cash stock compensation expense of $139,634 in 2010 (2009-$14,802) for stock options issued during the year.

Barrick continues to cover all project costs associated with the Tres Cruces project, and in May 2010 Barrick remitted its annual $250,000 payment (2009 - $250,000) (note: $175,000 net, after Peru withholding taxes) to maintain its option for the current year. The Tres Cruces option payment is credited against the total deferred costs of the Tres Cruces project, and has the effect of reducing its balance sheet carrying amount.

Selected annual information from the audited financial statements for the years ended December 31, 2010, 2009, and 2008:

	2010	**2009**	**2008**
Loss before other items	$ 569,010	$ 424,732	$ 693,036
Loss for the year	543,226	259,583	1,187,280
Basic and diluted loss per share	0.03	0.02	0.07
Total assets	1,326,275	1,716,770	1,966,745
Total liabilities	53,462	53,006	58,201
Total shareholders’ equity	1,272,813	1,663,764	1,908,544

Summary of Quarterly Results

Results for the eight most recent quarters ending with the last quarter ending December 31, 2010:

For the quarterly periods ending	**December 31 2010**	**September 30 2010**	**June 30 2010**	**March 31 2010**
Loss for the quarter	$ 257,534	$ 74,881	$ 137,739	$ 73,072
Basic loss per share	$ 0.03	$ 0.00	$ 0.00	$ 0.00
For the quarterly periods ending	**December 31 2009**	**September 30 2009**	**June 30 2009**	**March 31 2009**
Loss for the period	$ 19,668	$ 71,763	$ 29,407	$138,745
Basic loss per share	$ 0.00	$ 0.01	$ 0.00	$ 0.01

The Company’s fourth quarter loss ($257,534) includes non-cash stock compensation costs of $139,634, for stock options issued during the quarter. The Company incurred a $16,207 foreign exchange gain in the latest quarter, due to a rise in the value of the Canadian dollar during the period. The Company’s overhead and operating expenses continue to remain stable and moderate for an organization of its size.

Financial Condition, Liquidity and Capital Resources

The Company is not in commercial production on any of its mineral properties and accordingly, it does not generate cash from operations. The Company finances its activities by raising capital through the equity markets and from the expected annual cash flow from the Barrick Tres Cruces option payment.

New Oroperu’s cash decreased by $217,635 since December 31, 2009. In the past 12 months, New Oroperu’s principal source of cash was from the $175,000 (net) property option payment from Barrick.

The Company’s total cash position at December 31, 2010 was $485,644 (2009 – $703,279), which is sufficient to meet property maintenance and corporate needs for the ensuing year. At the end of the year the Company held the majority of its cash in Canadian dollars. New Oroperu's working capital position at December 31, 2010 was $442,901 (2009 - $658,852).

The Company is dependent on raising funds through the issuance of shares, obtaining debt financing and/or attracting joint venture partners in order to undertake further exploration and development of its mineral properties. Management believes that additional financing is available under reasonable terms and may be sourced when needed to allow the Company to continue its planned activities in the normal course. There can, however, be no assurance that the Company will be able to raise funds in the near future, in which case management may delay future exploration activities until funds become available.

Capital Resources

The Company has no material commitments for capital expenditures at this time. All holding costs and exploration expenditures planned for the Tres Cruces project this year are being covered by Barrick under its option agreement with the Company. Holding costs for the Company's other mineral properties are anticipated to be approximately $35,000 for the next year.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Outstanding Share Data

There are 16,398,318 shares of the Company outstanding as of the date of this report.

The following stock options are outstanding as of the date of this report:

No. of Options	Price per Share	Expiry Date
1,085,000	$0.55	June 29, 2012
65,000	$1.00	January 29, 2013
1,200,000	$0.45	October 5, 2015
2,350,000		

Related Party Transactions

The following services were provided to the Company by companies with common directors or officers:

		2010		**2009**
Consulting	$	120,000	$	120,000
General and administration		64,467		59,510
	$	184,467	$	179,510

At December 31, 2010, there were no amounts outstanding or payable to related parties.

Management of Capital

The Company manages its cash, common shares and stock options as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements.

The Company manages the capital structure and makes adjustments for changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, issue debt, or may acquire or dispose of assets or adjust the amount of its cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

The Company does not expect to pay out dividends in the foreseeable future. The Company's investment policy is to maintain its cash on deposit in interest bearing major Canadian chartered bank accounts.

The Company expects that its current capital resources will be sufficient to carry its exploration plans and operations through its current operating period.

Recent Accounting Pronouncements

International financial reporting standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that Canadian GAAP for publicly accountable enterprises would be replaced by IFRS for fiscal years beginning on or after January 1, 2011.

The Company commenced its IFRS conversion project in 2008 when it began the process of developing project governance structure. Overall project governance, management and support have been coordinated by the Company, with an independent external advisor engaged to assist in the IFRS conversion.

The Company's approach to the conversion to IFRS includes three phases:

- Phase one, an initial general diagnostic of its accounting policies and Canadian GAAP relevant to its financial reporting requirements to determine the key differences and options with respect to acceptable accounting standards under IFRS.
- Phase two, an indepth analysis of the IFRS impact in those areas identified under phase one.
- Phase three, the implementation of the conversion process, including the completion of the opening balance sheet as at January 1, 2010, together with related discussion and notes.

The following is a summary of key areas where accounting policies differ and where accounting policy decisions are necessary that will impact the Company's reported financial position and results of operations:

- Mineral properties – IFRS 6, "Exploration for and Evaluation of Mineral Resources" provides the Company with the option of expensing the exploration and evaluation costs as incurred, or deferring these costs until technical feasibility and commercial viability has been determined, at which point they are transferred to the development and production phase and allocated to specific projects. Under Canadian GAAP, exploration, evaluation and development costs are capitalized when incurred and amortized on the basis of production or written off when the prospect is no longer deemed prospective or is abandoned. The existing accounting policy will be maintained.

- Share-based payments – Under IFRS, stock-based compensation is amortized under the graded method only. In addition, the Company is required to update its value of options for each reporting period for expected forfeitures. Under Canadian GAAP, the Company recognizes stock-based compensation on straight-line method and updates the value of the options for forfeitures as they occur. Additionally, Canadian dollar-priced options can create a derivative liability as well as foreign exchange differences under IFRS. The Company expects to record IFRS income statement and balance sheet adjustments at January 1, 2010. The adjustment amounts have not yet been determined.

- Impairment of assets – Under IFRS, impairment tests are generally carried out using the discounted future cash flows (one step test). Write-downs to net realizable values under an impairment test can be reversed if the conditions of impairment cease to exist. Under Canadian GAAP, impairment tests are generally done on the basis of undiscounted future cash flows and impairment loss is measured as the excess of the carrying value over the discounted future cash flows (two-step approach). Unlike IFRS, write-downs are permanent changes in the carrying value of assets and cannot be reversed. The Company's financial statements will not be impacted on the changeover to IFRS based on the analysis of impairment indicators on transition. Nevertheless, in subsequent years, IFRS could generate more impairment write-downs than Canadian GAAP since it uses a one-step test.

The transition to IFRS requires the Company to apply IFRS 1, "First-Time Adoption of International Financial Reporting Standards ("IFRS 1") which details the requirements for preparing IFRS-compliant financial statements in the first reporting period after the date of transition. IFRS 1 provides entities adopting IFRS for the first time with a number of optional and mandatory exemptions in certain areas to the general requirement of full retrospective application of IFRS. Based on management's analysis of the various accounting policy choices available, IFRS 1 election relevant to the Company is as follows:

- Property, plant and equipment – IFRS 1 allows the Company to elect to have fair value or revaluation amounts as the deemed cost of property, plant and equipment at the date of transition. In accordance with IFRS 1, the Company may elect to measure certain items of property, plant and equipment at their fair values at the date of transition. Any fair value adjustments and changes to the assessment of the related useful lives of the individual components of property, plant and equipment could impact the depreciation charges subsequent to the date of transition. The Company will not elect to utilize this transitional provision and will record property, plant and equipment at cost upon adoption of IFRS.

The Company is in the implementation stage. This stage involves finalizing accounting policy decisions, preparing the Company's opening comparative balance sheet as at January 1, 2010, presenting comparative financial statements and notes under IFRS for each quarterly period of 2010, and implementing system, processes, internal controls and training necessary. The quantification of the amounts that resulted from the differences between Canadian GAAP and IFRS relating to the key standards are based on management's estimates and decisions, and are currently being reviewed.

MANAGEMENT DISCUSSION & ANALYSIS
For the year ended December 31, 2010
(All figures expressed in US dollars)

Risk Factors

Companies operating in the mining industry face many and varied kind of risks. Following are the risk factors most applicable to the Company.

Industry

Exploring and developing mineral resource projects bears a high potential for a variety of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible or practical to proceed.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Metal Prices

The principal activity of the Company is the exploration and development of gold resource properties. The feasible development of such properties is highly dependent upon the price of gold. A sustained and substantial decline in commodity gold prices could result in the write-down, termination of exploration and development work or loss of its interests in identified resource properties. Although such prices cannot be forecasted with certainty, the Company carefully monitors factors which could affect gold commodity prices in order to assess the feasibility of its resource projects.

Political Risk

The resource properties on which the Company is pursuing its exploration and development activities are all located in Peru, South America. While the political climate is considered by the Company to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, the Company funds its Peru operations on an as-needed basis. The Company does not presently maintain political risk insurance for its foreign exploration projects.

Environmental

Exploration and development projects are subject to the environmental laws and regulations of the country within which the Company is conducting its operations. As such laws are subject to change, the Company carefully monitors proposed and potential changes and management believes the Company remains in compliance with current environmental regulations in the relevant jurisdictions.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2010, the Company had a cash balance of $485,644 to settle current liabilities of $53,462. All of the Company’s financial liabilities have maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

The Company's cash and cash equivalents consist of cash held in bank accounts that earn interest at variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates does not have a significant impact on estimated fair values as of December 31, 2010. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

(b) Foreign currency rate risk

The Company's functional and reporting currency is the US dollar.

As at December 31, 2010, the majority of the Company's cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are denominated in Canadian dollars, the value of which is subject to fluctuation in exchange rates against the US dollar. Cash held in US dollars amounted to $14,552 at December 31, 2010 (2009 - $93,006).

At December 31, 2010, the Company is exposed to reporting currency fluctuation risk as follows:

Canadian currency:		
Cash and cash equivalents	$	465,820
Accounts receivable		2,607
Accounts payable and accrued liabilities		(26,697)
Net foreign exposure	$	441,730

The Company does not utilize derivatives or other techniques to manage foreign currency risk.

(c) Other price risk

Mineral prices may fluctuate significantly from period to period, and even if commercial quantities of gold and other minerals are developed, a profitable market may not exist for the sale of such minerals. If a profitable market does not exist, the Company could have to cease operations. The Company is not exposed to any other price risk.

Sensitivity analysis

The carrying value of cash, receivables, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to the relatively short periods to maturities of these financial instruments.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be materially affected by credit risk, liquidity risk or market risk. Accordingly, sensitivity information has not been presented.

Disclosure Controls and Procedures

Management is responsible for the design, establishment and maintenance of disclosure controls and procedures over the public disclosure of financial and non-financial information regarding the Company and internal control over financial reporting to provide reasonable assurance regarding the integrity of the

Company's financial information and reliability of its financial reporting. Management maintains appropriate information systems, procedures and controls to provide reasonable assurance that material mis-statements do not occur and that the integrity of the financial statements and information used internally and disclosed externally is complete and reliable.

Corporate Governance

Management of the Company is responsible for the preparation and presentation of the interim and annual financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The Company's management is held accountable to the Board of Directors ("Directors"), each member of which is elected annually by the shareholders of the Company. The Directors are responsible for reviewing and approving the annual audited financial statements and MD&A. Responsibility for the review and approval of the Company's unaudited interim financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of three directors, two of whom are independent of management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The auditors are appointed annually by the shareholders to conduct an audit of the financial statements in accordance with generally accepted auditing standards. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit as well as assist the members of the Audit Committee in discharging their corporate governance responsibilities.

Forward Looking Statements

Some of the statements in this document constitute "forward looking statements". Where New Oroperu expresses an expectation or belief as to future events or results, including management plans and objectives, and projections of exploration results, such expectation or belief is expressed in good faith and is believed to have a reasonable basis. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. While these statements represent our best current judgment, they are subject to risks and uncertainties that could cause actual results to vary, the specifics of which are detailed in disclosures with the heading "Risk Factors" in the Company's periodic filings with securities regulators. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Forward-looking statements in this MD&A are made as of the date of this MD&A or, in the case of documents incorporated by reference herein, as of the date of such documents, and New Oroperu does not assume the obligation to update any forward looking statement.

Other

Additional information about the Company may be found on the SEDAR website at www.sedar.com.