NEW OROPERU RESOURCES INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)
FOR THE SIX MONTHS ENDED JUNE 30, 2008

(PREPARED BY MANAGEMENT WITHOUT AUDIT

Notice to Reader

These interim financial statements of New Oroperu Resources Inc. have been prepared by management and approved by the Audit Committee on behalf of the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

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NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM BALANCE SHEETS
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
As at June 30, 2008 and December 31, 2007
(Expressed in U.S. dollars)

	June 30 2008	December 31 2007
Current Assets		
Cash and cash equivalents	$ 1,167,174	$ 1,312,041
Accounts receivable	8,713	1,875
Prepaid expenses	1,286	34,432
	1,177,173	1,348,348
Mineral properties (Note 4)	1,472,272	1,619,127
	$ 2,649,445	$ 2,967,475
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 20,696	$ 65,124
Shareholders' Equity		
Share capital (Note 6)	25,902,579	25,902,579
Stock based compensation (Note 6d)	403,620	310,617
Deficit	(23,677,450)	(23,310,845)
	2,628,749	2,902,351
	$ 2,649,445	$ 2,967,475

Approved by the Board:

"K. Wayne Livingstone"

Director

"Maynard E. Brown"

Director

See accompanying notes to financial statements.

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2008 AND 2007
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	three months ended		six months ended	
	June 30 2008	June 30 2007	**June 30 2008**	June 30 2007
Expenses				
Assays and mineral analysis	**$ -**	$ -	**$ 367**	$ -
Consulting fees	**103,569**	18,000	**133,519**	36,000
Conferences	**1,200**	-	**1,200**	-
Directors fees	**8,474**	-	**17,900**	-
Foreign exchange	**185**	133	**1,221**	158
General and administration	**36,698**	22,555	**87,954**	41,909
Insurance	**2,973**	-	**5,946**	-
Legal and audit	**25,401**	34,686	**30,197**	34,686
Property investigation & maintenance	**-**	3,843	**1,665**	13,075
Regulatory fees	**3,112**	-	**9,613**	2,832
Rent	**-**	212	**-**	212
Stock based compensation	**81,410**	98,656	**93,002**	101,962
Expense recov. (w/off acc/payable)	**(1,658)**	-	**(1,658)**	-
Write-off of receivable	**986**	-	**2,369**	-
	262,350	178,085	**383,295**	230,834
Interest Income	**(6,470)**	(16,623)	**(16,690)**	(27,785)
Loss and comprehensive loss for the period	**255,880**	161,462	**366,605**	203,049
Writedown of mineral properties and investments	**-**	300,002	**-**	300,002
Deficit – Beginning of period	**23,421,570**	22,578,110	**23,310,845**	22,536,523
Deficit - End of period	**$ 23,677,450**	$ 23,039,574	**$ 23,677,450**	$ 23,039,574
Loss per share	**$ 0.01**	$ <0.01	**$ 0.01**	$ <0.01

See accompanying notes to financial statements.

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2008 AND 2007
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	three months ended		six months ended	
	June 30 2008	June 30 2007	**June 30 2008**	June 30 2007
Cash provided by (used for)				
(Loss) Income for the period	**$ (255,880)**	$ (461,462)	**$ (366,605)**	$ (503,051)
Items not involving cash:				
Stock based compensation (Note 5d)	**81,410**	98,656	**93,002**	101,963
Expense recoveries (w/off acc/payable)	**(1,658)**	-	**(1,658)**	-
Writedown of receivable	**986**	-	**2,369**	-
Writedown min. properties investments	**-**	300,002	-	300,002
Net changes in non- cash working capital				
Accounts receivable	**(7,621)**	(1,867)	**(9,207)**	9,418
Accounts payable	**(38,146)**	7,503	**(42,770)**	(25,717)
Prepaid expenses	**4,517**	1,465	**33,146**	(5,578)
	(216,392)	(55,703)	**(291,723)**	(122,963)
Investing activities				
Mineral properties expenditures	**(12,970)**	(32,630)	**(28,144)**	(46,843)
Proceeds from mineral property option	-	175,000	**175,000**	175,000
	(12,970)	142,370	**146,856**	128,157
Increase (decrease) in cash	**(229,362)**	86,667	**(144,867)**	5,194
Cash and cash equivalents, beginning of period	**1,396,536**	1,230,664	**1,312,041**	1,312,137
Cash and cash equivalents, end of period	**$ 1,167,174**	**$** 1,317,331	**$ 1,167,174**	$ 1,317,331

Supplemental Disclosure of Non-Cash Financing Activity:				
Stock based compensation	**$** 81,410	$ 98,656	**$** 93,002	$ 101,963
Interest paid	**$** -	$ -	**$** -	$ -
Income taxes paid	**$** -	$ -	**$** -	$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND NATURE OF OPERATIONS

New Oroperu Resources Inc. (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.

Through its wholly-owned subsidiary, S.A. Mining Ventures Limited ("SA Mining"), the Company owns 100% of Minera Angelica S.A.C., a company incorporated in Peru, and Angelica Mining Inc. ("Angelica"), a company incorporated in the Bahamas during 2003.

SA Mining also owns 100% of T.C. Mining Inc. ("TC Mining"), a company incorporated in the Bahamas. TC Mining owns 50% of Aurifera Tres Cruces S.A. ("Aurifera"), a company incorporated in Peru for the purposes of operating the Tres Cruces project (Note 4). The other 50% of Aurifera is owned by a British Columbia holding company that is wholly-owned by TC Mining.

The Company is listed on the TSX Venture Exchange and is a reporting issuer in Ontario, Alberta and British Columbia.

The Company has not generated any revenue since inception and has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at June 30, 2008, the Company has working capital of $1,176,477. The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploitation of economically recoverable reserves in its resource properties, confirmation of the Company's interests in the underlying properties, and the attainment of profitable operations.

The Company will periodically have to raise additional funds to continue operations and while it 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 following is a summary of significant accounting policies used in the preparation of these consolidated financial statements:

Basis of consolidation

These interim consolidated financial statements for the Company have been prepared in accordance with generally accepted accounting principles in Canada. They do not include all of the information and disclosures required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. The interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements including the notes thereto for the year ended December 31, 2007 which may be found on www.sedar.com.

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, S.A. Mining Ventures Limited ("SA Mining"), a company incorporated in the Bahamas, which owns 100% of Minera Angelica S.A.C., a company incorporated in Peru, and Angelica Mining Inc. ("Angelica"), a company incorporated in the Bahamas. All intercompany balances and transactions have been eliminated on consolidation.

SA Mining also owns 100% of T.C. Mining Inc. ("TC Mining"), a company incorporated in the Bahamas. TC Mining directly and indirectly owns a 100% interest in Aurifera Tres Cruces S.A. ("Aurifera") a company incorporated in Peru for the purposes of holding the Tres Cruces project (Note 3). Fifty percent of the interest is owned directly and the remaining 50% interest is owned indirectly through TC Mining's 100% interest in 687211 B.C. Ltd, a British Columbia incorporated company.

Changes in accounting policies

On January 1, 2008, the Company adopted the following provisions of the Canadian Institute of Chartered Accountants ("CICA") Handbook. There was no material impact on the Company's financial condition or operating results as a result of the adoption of these new standards:

(a) Section 3862 – Financial Instruments – Disclosures, which replaces Section 3861, provides expanded disclosure requirements that provide additional detail by financial asset and liability categories (see Note 3).

(b) Section 3863 – Financial Instruments – Presentation, to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows (see Note 3).

(c) Section 1535 – Capital Disclosures, which establishes standards for disclosing information about an entity's capital and how it is managed (see Note 8). Under this standard, the Company will be required to disclose the following:

• qualitative information about its objectives, policies and processes for managing capital;

• summary quantitative data about what it manages as capital;

• whether during the period it complied with any externally imposed capital requirement to which it is subject; and

• when the Company has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

(d) Section 1400 – General Standards of Financial Statement Presentation, to include requirements for management to assess and disclose an entity's ability to continue as a going concern (see Note 1).

3. FINANCIAL INSTRUMENTS

All financial instruments are recorded initially at estimated fair value on the balance sheet and classified into one of five categories: held for trading, held to maturity, available for sale, loans and receivables and other liabilities.

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and amounts due to related parties.

The fair values of cash, amounts receivable, accounts payable and accrued liabilities, and amounts due to related parties approximate their book values because of the short-term nature of these instruments.

Financial Instrument Risk Exposure

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

Credit Risk

The Company's only exposure to credit risk is on its cash and cash equivalents. Cash and cash equivalents are with a Canadian Schedule 2 bank with a $20 million counterparty credit limit. The Company has no asset-backed commercial paper.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand.

Market Risk

The only significant market risk exposure to which the Company is exposed is interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its marketable securities portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates and fluctuations.

Exchange Risk

As at June 30, 2008, the majority of the Company's cash was held in Canada in Canadian dollars. The Company's significant operations are carried out in Peru. As a result a portion of the Company's cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are denominated in United States Dollars and Peruvian Soles and are therefore subject to fluctuations in exchange rates.

4. MINERAL PROPERTIES

	Tres Cruces Note 4(a)	Estrella Note 4(b)	Other Mineral Properties Note 4(c)	Total
Balance, December 31, 2007	$ 1,354,908	$ 264,215	$ 4	$ 1,619,117
Additions during the period				
Deferred expenditures				
Project management	-	28,144	-	15,174
Expenditures for the period	-	28,144	-	15,174
	1,354,908	292,359	4	1,370,084
Option payment received	(175,000)	-	-	(175,000)
Balance, June 30, 2008	$ 1,179,908	292,359	$ 4	$ 1,472,272

(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 $1.7 million on exploration expenditures by September 30, 2005 (paid);
(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 $1.7 million in exploration expenditure (paid); and $250,000 ($175,000 net of Peruvian withholding taxes) per year after completion of the $1.7 million in exporation expenditure (paid);
(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 a $1,000,000 advance royalty payment, and following such production decision, the Company, through Aurifera, would retain a 30% fully financed interest subject to certain payback provisions, and would also retain a 2% royalty interest.

(b) Estrella Project, Peru

In January 2006, the Company acquired 100% of the 1,800-hectare Estrella Project in Peru. In February 2006, the Company entered into an agreement for an option to purchase an additional 300-hectare mineral claim in the area adjacent to its Estrella property interest. At December 31, 2006, the Company abandoned this option and accordingly, wrote-off the related acquisition costs of $30,958.

Pursuant to an asset impairment review completed by management during 2007, the project's value was written down by $390,688 to its estimated recoverable value.

The Company spent $28,144 on administration and property maintenance during the 6 month period ended June 30, 2008.

(c) Other Mineral Properties

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

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, Trucha Dorada, El Espigon and Ontario leases is $4.

(d) 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.

(e) 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.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. 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.

(f) Environmental

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 property may be diminished or negated.

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 conducts its mineral exploration activities in compliance with applicable environmental protection legislation. 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.

5. INVESTMENT AND ADVANCES RECEIVABLE

The Company holds 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. Management has determined that the interests have no measureable value and is not able to assess the likelihood of any residual value of the interest should Nuevo Condor restructure and resume operations. This investment has been fully written off, as management does not intend to further invest in this project.

6. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares without par value

(b) Issued and outstanding:

	Number of Shares	Amount	Contributed Surplus
Balance, December 31, 2007	16,247,324	25,902,579	310,617
Stock-based compensation	-	-	93,002
Balance, June 30, 2008	16,247,324	$ 25,902,579	$ 433,419

(c) **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 Company's options outstanding as at June 30, 2008 is as follows:

	Number of options	Vested (exercisable)	Exercise Price per Share	Expiry Date
Issued in 2006	670,000	670,000	$0.38	February 3, 2011
Issued in 2007	1,085,000	1,085,000	$0.55CAD	June 29, 2012
Issued in 2008	65,000	16,250	$1.00CAD	January 29, 2013
	1,820,000	1,771,250	$0.49*	

* Weighted average exercise price in US funds.

(d) **Stock-based compensation**

In 2008 the Company recognized stock-based compensation of $93,002 (2007 - $101,962) related to stock options granted. The fair value of stock options used to calculate this compensation expense was estimated using the Black-Scholes option pricing model with the following assumptions:

For $1.00 CAD Stock Options issued in January 2008	**2008**
Risk-free interest rate	3.32%
Expected dividend yield	-
Expected stock price volatility	84.81%
Expected option life in years	3

Option pricing models require the input of subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

7. RELATED PARTY TRANSACTIONS

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

Consulting	$	134,490
Directors committee fees		17,900
General and administration		23,898
Total	$	176,288

At June 30, 2008, there was $nil in outstanding amounts payable to related parties.

During the first quarter of 2008 the Company approved management and consulting service contracts to:

(i) a company owned by the President for an amount totaling $11,000 CAD per month
(ii) a company 50% owned by the Chief Financial Officer for an amount totaling $4,500 CAD per month.

During the second quarter the Company paid a lump sum $75,000 CAD payment to a company owned by the president of the Company.

8. MANAGEMENT OF CAPITAL

The Company manages its cash, common shares, stock options and warrants as capital (see Note 6d). 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 to which it is subject.

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

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account.

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

9. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. Of the Company's assets, an amount of assets totaling $1,427,271 (2007-$1,980,040) is located in Peru and $1,177,174 (2007-$1,332,743) is located in Canada.

NEW OROPERU RESOURCES INC.

MANAGEMENT DISCUSSION & ANALYSIS **Form 52-102F1**
For the 6 month period ended June 30, 2008
(expressed in US dollars)

May 28, 2008

This Management Discussion and Analysis ("MD&A") has been prepared by management as of August 25, 2008 and This MD&A should be read in conjunction with the interim consolidated financial statements and notes for the period ended June 30, 2008, which were prepared in accordance with Canadian generally accepted accounting principles. It is further assumed that the reader has access to the Company's audited consolidated financial statements for the year ended December 31, 2007.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

Forward-Looking Statements

When used in this document, words like "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management's future plans, objects and goals for the Company and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance, or achievements may be materially different from those implied or expressed in such statements.

Company Overview

New Oroperu Resources Inc. (the "Company", "New Oroperu") is an exploration stage company engaged in the acquisition and exploration of prospective gold and silver properties. The Company is currently focusing its exploration activities in Peru. It is a reporting issuer in Ontario, British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol ORO.

Our principal asset is the historical measured and indicated 1.7 million oz. gold Tres Cruces deposit in north central Peru. We hold 100% of the project subject to a 1½% royalty 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, whereby Barrick may earn a 70% interest in Aurifera subject to the underlying 1.5% royalty and 2% royalty to the Company and other terms described below. The historical resources referred to above pre-date the implementation of NI 43-101 regulations and are therefore deemed non-compliant and not to be relied on. Barrick is planning to complete a NI 43-101 report on the Tres Cruces resources in the future, to include all the drilling completed since the 1999 historical resource estimation. This will include about 37,000 meters of additional drilling by Barrick to bring the total drilling on the project to 71,000 meters.

Nearby the Tres Cruces project, about 10 km. to the north, Barrick has invested US$340 million in the development of its Lagunas Norte deposit and production started in June 2005. Barrick recently reported that Lagunas Norte produced over 1,000,000 oz/gold per year for the second year in a row, and still holds over 8.8 million oz. gold.

We consider that the proximal location of the Tres Cruces to Barrick's operations would enhance the economics for the development of the Tres Cruces deposit.

The Company's total cash position at June 30, 2008 was $1,167,174, 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 exploration and corporate needs for the year. New Oroperu's working capital position at June 30, 2008 was $1,176,477.

MANAGEMENT DISCUSSION & ANALYSIS **Form 52-102F1**
For the 6 month period ended June 30, 2008
(expressed in US dollars)

Tres Cruces Project

The Tres Cruces project is a grass roots discovery made by the Company. 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. 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 which was reported by the Company in its August 8, 2007 News Release. 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. Current total drilling on the project from discovery is about 71,000 meters.

Some of the deep holes completed by Barrick in 2007 encountered gold and silver mineralization as deep as 350 m. 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 also completed an IP survey and is planning, concurrent with further definition and condemnation drilling, to test any new geophysical targets. The permitting for this additional drilling is currently in progress. Work on baseline environmental studies is in progress. Additional samples have been submitted for metallurgical test work. The Company is still awaiting a progress report on this work, along with a new resource estimation by Barrick which is currently in progress.

We were pleased to be advised by Barrick that it is continuing to delineate the resource and explore the deeper targets as well as other studies necessary for the evaluation of the deposit. We will report on these results when received from Barrick.

We continue to be encouraged by this level of activity on our Tres Cruces project and we believe that the close proximity of our project with Barrick's operations 12 km. to the north could enhance the economics of the Tres Cruces mineralization.

Other Mineral Properties

In the period ended June 30, 2008 we incurred costs of $28,144 maintaining our Estrella property in Peru. No field work was conducted in the period.

We own the 900 hectare Angelica property, another prospective grassroots gold project, situated 5 km. from our Tres Cruces resource discovery in central Peru. We also have three mineral leases located in Ontario, Canada. We continue to maintain our rights on these properties.

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

Results of Operations

The Company's operating loss for the six month period ended June 30, 2008 was $346,605 (2007 - $203,049). Non-cash stock compensation expense related to the vesting of stock options issued during the past year accounted for $93,002 (2007 – $101,962) of the loss. General and administrative costs for the period of $87,954 (2007 - $41,909) remained modest but were higher than the corresponding prior period, reflecting a general increase in corporate activity relating to Tres Cruces and the increasing cost of maintaining a public company. We incurred expenditures of $28,144 (2007 - $46,843) on mineral properties in Peru, which consisted of direct administration and management. The Company also paid a CAD$75,000 consulting fee compensation adjustment during the period to a related party.

(expressed in US dollars)

We continued to invest our surplus cash resources in low-risk bankers' acceptance note securities, earning $16,690 of interest income during the period (2007 - $27,785).

Barrick continues to cover all project costs associated with the Tres Cruces project, and during the period paid the Company its annual $250,000 payment (note: $175,000 net after Peru withholding taxes) to maintain its option for this year.

Summary of Quarterly Results

Results for the eight most recent quarters ending with the last quarter ending June 30, 2008:

For the quarterly periods Ending on	**June 30 2008**	**Mar. 31 2008**	**Dec. 31 2007**	**Sept. 30 2007**
Loss (income) before adjustments	$ 235,880	$ 110,725	$ 205,262	$ 61,448
Loss (income) for the period	235,880	110,725	205,262	61,448
Basic loss (earnings) per share	0.01	0.01	0.01	0.01
For the quarterly periods Ending on	**June 30 2007**	**Mar. 31 2007**	**Dec. 31 2006**	**Sept. 30 2006**
Loss before adjustments	$ 161,462	$ 41,589	$ 84,362	$ 107,169
Loss (income) for the period	161,462	41,589	58,839	107,169
Basic loss (earnings) per share	0.01	0.01	0.01	0.01

The Company's operating expenses for the quarter were $64,265 higher than for the corresponding period last year. A one-time fee compensation adjustment of CAD$75,000 was paid during this quarter. Higher operating costs for consulting and administration fees will continue due to the January 2008 increases in these monthly fees of approximately $6,500 per month and the addition of directors' monthly committee fees totaling $3,000 per month.

Quarterly interest income decreased from $16,623 to $6,470 compared to the same period last year, due to lower interest rates and lower cash balances in the Company.

Administration and property maintenance costs in Peru were $12,970 for the quarter (2007-$32,630) and are expected to remain low for the rest of the year.

Liquidity

Our cash and cash equivalents decreased by $150,157 since June 30, 2007. In the past 12 months the Oroperu's sources of cash were from:

- $175,000 net from Barrick property option payment
- $46,213 in interest income
- $111,563 from the exercise of stock options

MANAGEMENT DISCUSSION & ANALYSIS **Form 52-102F1**
For the 6 month period ended June 30, 2008
(expressed in US dollars)

Our total cash position at June 30, 2008 was $1,167,174 (2007 – $1,317,331), sufficient to meet our property maintenance and corporate needs for the ensuing year. New Oroperu's working capital position at June 30, 2008 was $1,176,477 (2007 - $1,306,175).

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 $25,000 in 2008.

Off-Balance Sheet Arrangements

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

Outstanding Share Data

There are 16,247,324 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
670,000	$0.38	February 3, 2011
1,085,000	$0.55	June 29. 2012
65,000	$1.00	January 29, 2013
1,820,000		

Related Party Transactions

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

Consulting	$	134,490
Directors committee fees		17,900
General and administration		23,898
Total	$	176,288

At June 30, 2008, there was $nil in outstanding amounts payable to related parties.

In the first quarter of 2008 the Company approved management and consulting service contracts to:

(i) a company owned by the President for an amount totaling $11,000 CAD per month
(ii) a company 50% owned by the Chief Financial Officer for an amount totaling $4,500 CAD per month.

In the first quarter of 2008, two of the Company's directors were appointed to a directors committee. Their compensation while serving on the committee is $1,500 CAD each per month.

During the second quarter the Company paid a lump sum $75,000 CAD payment to a company owned by the president of the Company.

Changes in Accounting Policies

On January 1, 2008, the Company adopted the following provisions of the Canadian Institute of Chartered Accountants ("CICA") Handbook. There was no material impact on the Company's financial condition or operating results as a result of the adoption of these new standards:

(a) Section 3862 – Financial Instruments – Disclosures, which replaces Section 3861, provides expanded disclosure requirements that provide additional detail by financial asset and liability categories (see Note 3).

(b) Section 3863 – Financial Instruments – Presentation, to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows.

(c) Section 1535 – Capital Disclosures, which establishes standards for disclosing information about an entity's capital and how it is managed. Under this standard, the Company will be required to disclose the following:

• qualitative information about its objectives, policies and processes for managing capital;

• summary quantitative data about what it manages as capital;

• whether during the period it complied with any externally imposed capital requirement to which it is subject; and

• when the Company has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

(d) Section 1400 – General Standards of Financial Statement Presentation, to include requirements for management to assess and disclose an entity's ability to continue as a going concern.

New Accounting Policies

Financial Instruments

All financial instruments are recorded initially at estimated fair value on the balance sheet and classified into one of five categories: held for trading, held to maturity, available for sale, loans and receivables and other liabilities.

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and amounts due to related parties.

The fair values of cash, amounts receivable, accounts payable and accrued liabilities, and amounts due to related parties approximate their book values because of the short-term nature of these instruments.

Financial Instrument Risk Exposure

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

Credit Risk

The Company's only exposure to credit risk is on its cash and cash equivalents. Cash and cash equivalents are with a Canadian Schedule 2 bank with a $20 million counterparty credit limit. The Company has no asset-backed commercial paper.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts which are available on demand.

Market Risk

The only significant market risk exposure to which the Company is exposed is interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its marketable securities portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates and fluctuations.

Exchange Risk

As at June 30, 2008, the majority of the Company's cash was held in Canada in Canadian dollars. The Company's significant operations are carried out in Peru. As a result a portion of the Company's cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are denominated in United States Dollars and Peruvian Soles and are therefore subject to fluctuations in exchange rates.

Management of Capital

The Company manages its cash, common shares, stock options and warrants 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 to which it is subject.

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

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account.

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

Going-concern

In June 2007, the CICA amended Handbook Section 1400, "General Standards of Financial Statement Presentation", which requires management to make an assessment of Company's ability to continue as a going-concern. When financial statements are not prepared on a going-concern basis, that fact shall be disclosed together with the basis on which the financial statements are prepared and the reason why the Company is not considered a going-concern.

Inventories

In June 2007, the CICA issued this Section which prescribes the accounting treatment for inventories. In particular, this Section provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to net realizable value. The mandatory effective date is for annual and interim financial statements for years beginning on or after October 1, 2007. Management does not anticipate that this Section will impact the Company's financial statements.

Future accounting changes

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian generally accepted accounting principles with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

The new section is effective for years beginning on or after January 1, 2008, and management anticipate that such adoption may have an impact on future financial statements.

Critical Accounting Estimates

The most significant accounting estimate for the Company relates to the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions 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 or otherwise realize net cash flows from the property for an amount exceeding the deferred costs, a provision is made for the impairment of value.

Management's estimates of mineral prices and operating, capital and reclamation costs are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties.

Another significant accounting estimate relates to accounting for stock-based compensation. The Company uses the Black-Scholes Option Pricing Model. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimates, and therefore the existing models no not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the year.

Estimates are also used in the determination of valuation allowances for future income tax assets. Management has made its best estimate of such allowances, however actual results may differ from those estimates and would impact future results of operations and cash flows.

Forward-Looking Statements

Certain statements contained in this Management Discussion and Analysis and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance of achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

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 all manner 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 actively 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.

Other

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