NEW OROPERU RESOURCES INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in US dollars)

FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009

Prepared by Management

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.
(An Exploration Stage Company)
Consolidated Interim Balance Sheets
(Prepared by Management)
For the three months *ended* March 31, 2010 and December 31, 2009
(Expressed in US dollars)

	March 31 2010	December 31 2009
Assets		
Current		
Cash and cash equivalents	$ 618,810	$ 703,279
Accounts receivable	2,707	2,081
Prepaid expenses	3,859	6,498
	625,376	711,858
Mineral Properties (Note 3)	1,004,912	1,004,912
	$ 1,630,288	$ 1,716,770
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 39,596	$ 53,006
Shareholders' Equity		
Capital Stock (Note 4)	25,902,579	25,902,579
Contributed Surplus (Note 4c)	518,893	518,893
Deficit	(24,830,780)	(24,757,708)
	1,590,692	1,663,764
	$ 1,630,288	$ 1,716,770

Approved by the Board:

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

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

See notes to consolidated interim financial statements.

NEW OROPERU RESOURCES INC.

(An Exploration Stage Company)
Consolidated Interim Statements of Operations
(Prepared by Management)
For the three months ended March 31, 2010 and 2009
(Expressed in US dollars)

	March 31 2010	March 31 2009
Expenses		
Consulting fees	$ 31,325	$ 41,867
Directors committee fees	8,648	7,230
General and administration	25,499	30,798
Insurance	2,785	2,963
Legal and audit	686	12,148
Property maintenance	15,898	13,590
Regulatory fees	6,472	4,176
Rent	2,200	1,807
Loss before Other Items	93,513	114,579
Other Items		
Expense recoveries	-	(1,658)
Foreign exchange loss (gain)	(28,007)	22,558
Interest income	(1,049)	(1,648)
Write-off of receivable	8,615	4,914
	(20,441)	24,166
Net Loss and Comprehensive Loss for Period	$ 73,072	$ 138,745
Loss Per Share, Basic and Diluted	$ 0.00	$ 0.01
Weighted Average Number of Common Shares	16,248,318	16,248,318

See notes to consolidated interim financial statements.

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Consolidated Interim Statements of Shareholders' Equity
(Prepared by Management)
For the three months ended March 31, 2010
Expressed in US dollars

	Number of Shares		Share Capital		Contributed Surplus		Deficit		Total Shareholders' Equity
Balance, December 31, 2008	16,247,324	$	25,902,579	$	504,090	$	(24,498,125)	$	1,908,544
Net loss for the year	-		-		-		(259,583)		(259,583)
Stock-based compensation	-		-		14,803		-		14,803
Fractional Share Consolidation	994		-		-		-		-
Balance, December 31, 2009	16,248,318	$	25,902,579	$	518,893	$	(24,757,708)	$	1,663,764
Net loss for the period	-		-		-		(73,072)		(73,072)
Balance, March 31, 2010	16,248,318	$	25,902,579	$	518,893	$	(24,830,780)	$	1,590,692

See notes to consolidated interim financial statements.

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Consolidated Interim Statements of Cash Flows
(Prepared by Management)
For the three months ended March 31, 2010 and 2009
(Expressed in US dollars)

	March 31 2010	March 31 2009
Operating Activities		
Net loss	$ (73,072)	$ (138,745)
Items not involving cash:		
Stock based compensation (Note 4c)	-	1,912
Expense recoveries (w/off acc/payable)	-	(1,658)
Writedown of receivable	8,615	4,914
	(64,457)	(133,577)
Changes in non-cash working capital		
Accounts receivable	(9,241)	7,145
Prepaid expenses	2,639	2,977
Accounts payable and accrued liabilities	(13,410)	(254)
	(20,012)	9,868
Cash Used in Operating Activities	(84,469)	(123,709)
Decrease in Cash and Cash Equivalents	(84,469)	(123,709)
Cash and Cash Equivalents, Beginning of Period	703,279	767,844
Cash and Cash Equivalents, End of Period	$ 618,810	$ 644,135
Represented by		
Cash	$ 54,002	$ 10,737
Bankers' acceptance notes	564,808	633,398
	$ 618,810	$ 644,135
Supplemental Cash Flow Information		
Stock based compensation	$ -	$ 1,912
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

See notes to consolidated interim financial statements.

1. BASIS OF PRESENTATION

These interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") for interim financial statements and follow the same accounting policies and methods of application as the most recent annual financial statements for the year ended December 31, 2009. These interim financial statements do not contain all disclosures required by Canadian GAAP and accordingly should be read in conjunction with the audited 2009 annual financial statements and the notes thereto.

New Oroperu Resources Inc. ("New Oroperu" or the "Company") is an exploration stage junior mining company engaged in the identification, acquisition, evaluation and exploration of gold properties in Peru. The Company has not determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and attaining future profitable production from the properties or proceeds from disposition.

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 and may be sourced in time to allow the Company to continue its current planned activities in the normal course. There can, however, be no assurance the Company will be able to raise funds in the near future, in which case management may delay exploration activities on some of its properties until funds become available.

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.	Peru

All intercompany balances and transactions have been eliminated on consolidation.

2. RECENT ACCOUNTING PRONOUNCEMENTS

International Financial Reporting Standards

In February 2008 the Accounting Standards Board confirmed that International Financial Reporting Standards (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 comparative basis, as well as reconciliations for that quarter and as at the January 1, 2010 transition date. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure. The Company is considering a plan for IFRS convergence and has started the assessment process. Detailed analysis of the differences between IFRS and the Company's accounting policies and assessment of the various alternatives for first time adoption of IFRS are in progress.

(Expressed in US dollars)

3. MINERAL PROPERTIES

	Tres Cruces	Estrella	Other Mineral Properties	Total
	(note 3(a))	(note 3(b))	(note 3(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
Balance, March 31, 2010	$ 1,004,908	$ 1	$ 3	$ 1,004,912

(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 ($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 a $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

In January 2006, the Company acquired 100% of the 1,800-hectare Estrella Project in Peru. In 2007, the project's value was written down by $390,688 as a result of an asset impairment review by management. There was no exploration work done on the property in 2009 and its carrying value at March 31, 2010 was $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.

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 the 3 months ended March 31, 2010 the Company incurred aggregated expenses of $14,284 (2009 - $12,217) for property management, administration and taxes on its Peru mineral properties.

(d) Investment in other mineral property interests

As at the end of the period, 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. 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. Subsequent to the end of the period, the Company transferred its interest to the majority owner of Nuevo Condor for $1.

4. 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 March 31, 2010 and December 31, 2009 and changes during the periods then ended is as follows:

	Three months ended 2010		**Year ended 2009**	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of period	1,820,000	$0.49	1,820,000	$ 0.49
Granted	-	-	-	-
Exercised	-	-	-	-
Outstanding, end of period	1,820,000	$0.49	1,820,000	$ 0.49
Options exercisable, end of period	1,820,000	$0.49	1,820,000	$ 0.49

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

Number of Options		Exercise		Weighted Average Contractual Life of Options Remaining
Outstanding	Exercisable	Price	Expiry Date	in Years
670,000	670,000	$0.38	February 3, 2011	0.88
1,085,000	1,085,000	$0.55CAD	June 29, 2012	2.25
65,000	65,000	$1.00CAD	January 29, 2013	2.83
1,820,000	1,820,000	$0.49*		

* Weighted average exercise price in U.S. dollars

(c) Stock-based compensation

In the period ended March 31, 2010 (2009 - $1,912), there were no stock-based compensation charges related to stock options..

5. RELATED PARTY TRANSACTIONS

(a) The following services were provided to the Company by companies with common directors or officers, or by directors or officers for the period ended March 31, 2010 and 2009:

		2010		**2009**
Consulting	$	38,648	$	37,230
General and administration		15,977		13,844
	$	54,625	$	51,074

(b) At March 31, 2010, there was nil (2009 - $nil) in outstanding amounts payable due to related parties.

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.

6. MANAGEMENT OF CAPITAL

The Company manages its common shares, stock options and warrants as capital (see note 5). There has been no change in the nature of the Company's capital during the quarter ended March 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, which optimizes the costs of capital at an acceptable risk. The Company is not subject to any externally imposed capital maintenance requirements.

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 attempt to issue new shares, issue debt, acquire or dispose of assets.

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

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

7. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. Of the Company's assets, an amount totaling $1,005,649 (2009 - $1,187,021) is located in Peru and $624,639 (2009 - $1,290,154) is located in Canada.

NEW OROPERU RESOURCES INC.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 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 condition of New Oroperu Resources Inc. (the "Company" or "New Oroperu"). This MD&A should be read in conjunction with the unaudited consolidated financial statements of the Company, including the notes thereto, for the three months ended March 31, 2010 and 2009 (the "financial statements"), which are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements, and the annual audited financial statements and MD&A for the year ended December 31, 2009. This MD&A has taken into account information available up to and including May 27, 2010.

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 is the historical measured and indicated 1.7 million oz. gold Tres Cruces deposit in north central Peru. These historical resources pre-date the implementation of NI 43-101 regulations and are therefore deemed non-compliant and not to be relied on. In 2003, subsequent to this historical resource estimation, Oroperu optioned out 70% of its 100% interest (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. 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. Barrick has completed about 39,000 meters of reverse-circulation and diamond drilling to date, bringing the total drilling on the project to about 73,000 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. The Lagunas Norte project has produced in excess of 1 million oz. of gold per year since commencement of production, with approximately 1 million oz of gold produced in 2009.

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

At a recent meeting with Barrick, the Company was advised that Barrick is currently reviewing metallurgical work and will be reviewing budget requirements for future work on the Tres Cruces property.

The Company's total cash position at March 31, 2010 was $618,810 (2009 – $644,136) 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 December 31, 2009 was $585,780 (2009 - $591,797).

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2010
(All figures expressed in US dollars)

Outlook

The Company's main asset, the Tres Cruces project, is under option to Barrick and is dependent on Barrick to advance the project through to production. Barrick has maintained the option since 2003. We expect that Barrick will advance the project forward to a production decision.

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. 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 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 completed certain engineering and piezometric studies and continues to monitor its environmental work required for the permitting process. No drilling was completed in 2009 and Barrick has not advised the Company of its future plans. Subsequent to the end of the quarter, Barrick paid the Company the $250,000 payment required to maintain its option on the Tres Cruces property for the next year.

Other Mineral Properties

In the three months ended March 31, 2010, New Oroperu incurred costs of $14,284 administering and maintaining its properties in Peru, which costs were allocated to Mineral Properties expense. No field work was conducted in the period

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.

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

Results of Operations

The Company's net loss for the three months ended March 31, 2010 was $73,072 (2009 – $138,745). The Company incurred expenditures of $15,898 (2009 - $13,590) on mineral properties, which consisted of property maintenance and direct administration and management. The Company kept the majority of its cash in Canadian dollars during the quarter and the foreign exchange gain of $28,007 (2009 - $22,558 loss) was the result of fluctuation between the Canadian and US dollars.

Overhead and administration expenses of $93,513 were down from the same period last year (2009 - $114,799), and continue to remain in a low range, consistent with the Company's level of operations.

Barrick continues to cover all project costs associated with the Tres Cruces project, and subsequent to the end of the quarter paid New Oroperu its annual $250,000 payment (2009 - $250,000) (note: $175,000 net, after Peru withholding taxes) to maintain its option for the current year.

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

For the quarterly periods ending	**March 31 2010**	**December 31 2009**	**September 30 2009**	**June 30 2009**
Loss for the quarter	$ 73,072	19,668	71,763	29,407
Basic loss per share	$ 0.00	0.01	0.01	0.01
For the quarterly periods ending	**March 31 2009**	**December 31 2008**	**September 30 2008**	**June 30 2008**
Loss for the period	$138,745	655,564	165,111	255,880
Basic loss per share	$ 0.01	0.04	0.01	0.01

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.

New Oroperu's cash decreased by $84,669 since December 31, 2009. In the past 12 months New Oroperu's sources of cash were from:

- $175,000 net from Barrick property option payment
- $80,000 from sale of mineral property in Peru
- $4,438 in interest income

The Company's total cash position at March 31, 2010 was $618,810 (2009 – $703,279), sufficient to meet property maintenance and corporate needs for the ensuing year. At March 31, 2010 the Company held the majority of its cash in Canadian dollars. New Oroperu's working capital position at March 31, 2010 was $585,780 (2009 - $591,797).

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 and may be sourced in time to allow the Company to continue its planned activities in the normal course. There can, however, be no assurance the Company it will be able to raise funds in the near future, in which case management may delay future exploration activities until funds become available.

The Company's liquidity does not include any holdings of asset-backed commercial paper.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2010
(All figures expressed in US dollars)

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 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 16,248,318 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
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:

	2010	2009
Consulting	$ 38,648	$ 37,230
General and administration	15,977	13,844
Total	$ 54,625	$ 51,074

At March 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 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.

Recent Accounting Pronouncements

International financial reporting standards ("IFRS")

In January 2006, the Canadian Accounting Standards Board adopted a strategic plan, which includes the decision to move financial reporting for Canadian publicly accountable enterprises to a single set of globally accepted standards, IFRS, as issued by the International Accounting Standards Board. The effective implementation date of the conversion from Canadian generally accepted accounting principles ("Canadian GAAP") to IFRS is January 1, 2011, with an effective transition date of January 1, 2010 for financial statements prepared on a comparative basis. The Company is engaged in an assessment and conversion process which includes consultation with external consulting firms and expects to be ready for the conversion to IFRS in advance of January 1, 2011. As part of the conversion process, the Company has offered IFRS specific training to senior financial reporting personnel and directors.

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. This phase was completed in late 2009.
- Phase Two, an in-depth analysis of the IFRS impact in those areas identified under Phase One. This phase commenced in 2009 and is nearing completion. A summary of this analysis is provided in Table 1 below.
- 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, will be carried out in the second half of 2010.

At this point, the Company's IT accounting and financial reporting systems are not expected to be significantly impacted.

The above comments, including the summary in Table 1, should not be considered as a complete and final list of the changes that will result from the transition to IFRS as the Company intends to maintain a current and proactive approach based on changes in circumstances and no final determinations have been made. In addition, the accounting bodies responsible for issuing Canadian and IFRS accounting standards have significant ongoing projects that could impact the Company's financial statements as at January 1, 2011 and in subsequent years, including projects regarding financial instruments and joint venture accounting. In addition, there is an extractive industries project currently underway that will lead to more definitive guidance on the accounting for exploration and evaluation expenditures, although this is still in the discussion paper stage and may not be completed for some time. The Company is continuing to monitor the development of these projects and will assess their impact in the course of its transition process to IFRS.

Table 1. Summary of financial statements impact on transition from Canadian GAAP to IFRS.

Key Area	Canadian GAAP (as currently applied)	IFRS	Analysis and preliminary conclusions
Impairment of long lived assets	Impairment tests of its long-term assets are considered annually based on indications of impairment.	Impairment tests of “cash generating units” are considered annually in the presence of indications of impairment.	Assets will continue to be grouped under the Company’s various mining operations. Currently, there are no indications of impairment and, therefore, no impairment test has been performed.
	Impairment tests are generally done on the basis of undiscounted future cash flows.	Impairment tests are generally carried out using the discounted future cash flows.	Impairment tests using discounted values could generate a greater likelihood of write downs in the future.
	Write-downs to net realizable values under an impairment test are permanent changes in the carrying value of assets.	Write downs to net realizable values under an impairment test can be reversed if the conditions of impairment cease to exist.	Potential significant volatility in earnings could arise as a result of the difference in the treatment of write-downs.
Stock-based compensation	Stock-based compensation is determined using fair value models (e.g. Black-Scholes) for equity-settled awards and the intrinsic model for cash-settled awards.	Stock-based compensation is determined using fair value models for all awards. However, upon settlement, cash-settled awards are adjusted to the value actually realized (intrinsic model).	The utilization of fair value models for cash-settled awards will change the estimate of the related liability while the awards remain outstanding and create greater volatility in earnings until the awards are settled.
	The Company recognizes stock-based compensation on straight line method and updates the value of the options for forfeitures as they occur.	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.	The Company expects no significant adjustments to its income statement and balance sheet at January 1, 2010.

Table 1. Summary of financial statements impact on transition from Canadian GAAP to IFRS.

Income taxes	There is no exemption from recognizing a deferred income tax for the initial recognition of an asset or liability in a transaction that is not a business combination. The carrying amount of the asset or liability acquired is adjusted for the amount of the deferred income tax recognized.	A deferred income tax is not recognized if it arises from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction affects neither accounting profit nor taxable profit.	The Company does not expect the difference in recognition of deferred income tax to have any significant change in the future.
	All deferred income tax assets are recognized to the extent that it is “more likely than not” that the deferred income tax assets will be realized.	A deferred tax asset is recognized if it is “probable” that it will be realized.	“Probable” in this context is not defined and does not necessarily mean “more likely than not”. The Company is in the final stages of quantifying the impact of this difference.

The above assessment and conclusions are based on the analysis completed by the Company as of the date of this report and may be subject to change between now and January 1, 2011.

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.

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.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2010
(All figures expressed in US dollars)

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 March 31, 2010, the Company had a cash balance of $618,810 to settle current liabilities of $39,596. 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 March 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 March 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. Cash held in Canada and Peru in US dollars amounted to $38,120 at March 31, 2010 (2009 - $11,824).

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

Based on the above net foreign currency exposure as at March 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 $58,069 in the Company's loss.

(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.

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 ensure integrity of the financial statements and to ensure that 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.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2010
(All figures expressed in US dollars)

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.