NEW OROPERU RESOURCES INC.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in US dollars)

FOR THE THREE MONTHS ENDED MARCH 31, 2011 AND 2010

Prepared by Management

Notice to Reader

These condensed consolidated financial statements of New Oroperu Resources Inc. (the "Company") 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 condensed consolidated financial statements, notes thereto and the related quarterly Management Discussion and Analysis.

320 – 800 West Pender St.
Vancouver, British Columbia, Canada V6C 2V6

Tel: (604) 638-1408
Fax: (604) 608-3878

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Condensed Consolidated Statements of Financial Position
(Prepared by Management)
As at March 31, 2011, December 31, 2010 and January 1, 2010
(Expressed in US dollars)

		March 31 2011		December 31 2010 (Note 12)		January 1 2010 (Note 12)
Assets						
Current						
Cash and cash equivalents	**$**	**410,406**	$	485,644	$	703,279
Receivables		**9,099**		2,671		2,081
Prepaid expenses		**5,047**		8,048		6,498
		424,552		496,363		711,858
Non-current						
Exploration and evaluation properties (Note 3)		**861,351**		829,912		1,004,912
	$	**1,285,903**	$	1,326,275	$	1,716,770
Liabilities						
Current						
Trade payables and accrued liabilities (Note 4)	**$**	**46,972**	$	53,462	$	53,006
Equity						
Share capital (Note 5)		**25,993,269**		25,902,579		25,902,579
Reserve (Note 5c)		**759,309**		703,808		518,893
Deficit		**(25,513,647)**		(25,333,574)		(24,757,708)
		1,238,931		1,272,813		1,663,764
	$	**1,285,903**	$	1,326,275	$	1,716,770

Subsequent Event (Note 13)

Approved and Authorized for Issue by the Board on June 15, 2011:

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

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

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

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Condensed Consolidated Statements of Loss and Comprehensive Loss
(Prepared by Management)
For the three months ended March 31, 2011 and 2010
(Expressed in US dollars)

		March 31 2011		March 31 2010
				(Note 12)
Expenses				
Consulting fees		**30,366**		31,325
Directors fees		**9,128**		8,648
General and administration		**114,816**		25,499
Insurance		**3,001**		2,785
Legal and audit		**7,500**		686
Payroll expenses		**364**		-
Property maintenance		**16,247**		15,898
Regulatory fees		**3,272**		6,472
Rent		**2,282**		2,200
Loss before other items		**186,976**		93,513
Other Items				
Foreign exchange gain		**(19,104)**		(28,007)
Interest income		**-**		(1,049)
Write-off of receivables		**12,201**		8,615
		(6,903)		(20,441)
Net Loss and Comprehensive Loss	**$**	**180,073**	$	73,072
Loss Per Share, Basic and Diluted (Note 6)	**$**	**0.01**	$	0.00
Weighted Average Number of Common Shares Outstanding		**16,351,651**		16,248,318

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

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Condensed Consolidated Statements of Equity
For the three months ended March 31, 2011 and March 31, 2010
(Prepared by Management)
(Expressed in US dollars)

	Share Capital		Reserve		
	Number of Shares	Amount	Stock options	Deficit	Total Equity
Balance, January 1, 2010	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
Share-based payments	-	-	184,915	-	184,915
Net loss for the period	-	-	-	(502,794)	(502,794)
Balance, December 31, 2010	16,248,318	$ 25,902,579	$ 703,808	$ (25,333,574)	$ 1,272,813
Common shares issued on exercise of stock options (Note 5b)	150,000	90,690	(33,690)	-	57,000
Share-based payments (Note 5c)	-	-	89,191	-	89,191
Net loss for the period	-	-	-	(180,073)	(180,073)
Balance, March 31, 2011	16,398,318	$ 25,993,269	$ 759,309	$ (25,513,647)	$ 1,238,931

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

NEW OROPERU RESOURCES INC.
(An Exploration Stage Company)
Condensed Consolidated Statements of Cash Flows
(Prepared by Management)
For the three months ended March 31, 2011 and 2010
(Expressed in US dollars)

		March 31 2011		March 31 2010 (Note 12)
Operating activities				
Net loss	**$**	**(180,073)**	$	(73,072)
Items not involving cash:				
Share-based payments (Note 6c)		**89,191**		-
Unrealised foreign exchange		**(9,327)**		(24,781)
Write-off of receivable		**12,201**		8,615
Changes in non-cash working capital:				
Receivables		**(18,629)**		(9,241)
Prepaid expenses		**3,001**		2,639
Trade payables and accrued liabilities		**(6,490)**		(13,410)
Cash used in operating activities		**(110,126)**		(109,250)
Investing activities				
Mineral property costs		**(31,439)**		-
Cash provided (used) by investing activites		**(31,439)**		**-**
Financing activities				
Proceeds from exercise of stock options (Note 6b)		**57,000**		-
Cash provided by financing activities		**57,000**		**-**
		(84,565)		**(109,250)**
Effect of foreign exchange on cash and cash equivalents		**9,327**		**24,781**
Decrease in cash and cash equivalents		**(75,238)**		**(84,469)**
Cash and cash equivalents, beginning of period		**485,644**		703,279
Cash and cash equivalents, end of period	**$**	**410,406**	$	618,810
Supplemental Cash Flow Information				
Interest paid	**$**	**-**	$	-
Income taxes paid	**$**	**-**	$	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

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

The Company is not generating any operating revenue, has never paid any dividends, and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at March 31, 2011, the Company has an accumulated deficit of $25,513,647 (2010 - $24,830,780) and incurred a loss of $180,073 (2010 - $73,072) during the quarter. The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain the necessary equity financing to continue operations and to determine the existence and successful exploitation of economically recoverable reserves in its mineral properties, confirmation of the Company's interests in the underlying properties and the attainment of profitable operations, or realize proceeds from their sale. Management believes the Company has sufficient working capital and cash reserves to maintain current levels of operations and continue as a going concern for the following year.

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

2. BASIS OF PRESENTATION

Statement of compliance

This interim condensed consolidated financial is a general purpose financial report for the Company and its subsidiaries (the "Group"), prepared on a going concern basis, in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these condensed consolidated financial statements comply with International Accounting Standards ("IAS") 34, *Interim Financial Reporting* as set out in Part 1 of the CICA Handbook-Accounting.

These financial statements were authorized for issue on June 15, 2011.

The annual consolidated financial statements of the Company as at and for the year ended December 31, 2010 are available upon request from the Company's offices at #20 – 800 West Pender St., Vancouver, B.C. or from the Company's website at www.oroperu.com.

Significant accounting policies

a) Basis of preparation

These interim financial statements are the first interim financial statements presented in accordance with IFRS.

IFRS sets out accounting policies that the IASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. As these financial statements represent the Group's initial presentation of its financial position under IFRS they have been prepared in accordance with IFRS policies the group expects to adopt in its December 31, 2011 annual financial statements

These financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable.

These financial statements, unless otherwise noted, are presented in U.S. dollars.
This interim report does not include all of the information required of full general purpose annual financial statements. The report is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the end of the last annual reporting period. It is therefore recommended that these condensed consolidated financial statements be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2010. However, these condensed consolidated financial statements, being the first IFRS financial statements, include selected significant disclosures that may otherwise only be presented in the consolidated annual financial statements under IFRS.

The disclosures concerning the transition from Canadian Generally Accepted Accounting Principles ("Canadian GAAP") to IFRS are provided in Note 12.

Consolidation

The condensed consolidated financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

		Percentage owned	
	Country of incorporation	**March 31, 2011**	**March 31, 2010**
S.A. Mining Ventures Ltd.	Bahamas	100%	100%
Minera Angelica S.A.C.	Peru	100%	100%
Angelica Mining Inc.	Bahamas	100%	100%
T.C. Mining Inc.	Bahamas	100%	100%
687211 B.C. Ltd.	Canada (B.C.)	100%	100%
Aurifera Tres Cruces S.A.	Peru	100%	100%

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

b) Significant accounting judgments, estimates and assumptions

The preparation of the Company's condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities' at the date of the financial statements, and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

c) Cash and cash equivalents

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

d) Financial assets

Financial assets are classified as loans and receivables, available-for-sale financial assets, financial assets at fair value through profit or loss, or as derivates designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. Accounts receivables are included in this category of financial assets.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Available-for-sale assets include investment in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Cash and cash equivalents are included in this category of financial assets.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

e) Impairment of financial assets

Financial assets, other than financial assets at fair value through profit or loss, are assessed for indicators of impairment at each period end.

Loans and receivables

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income.

f) Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

g) Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model which incorporates all market and vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

h) Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Group has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed for impairment if: (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within noncurrent assets.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

i) Farm outs

The Group does not record any expenditure made directly by third parties under farm out or option arrangements. Consideration or contributions received under farm out, participation or option arrangements are credited against carrying value and the Group does not recognize any gain or loss until all capitalized carrying amounts have been recovered.

j) Impairment

The carrying amounts of the Group’s exploration and evaluation assets are reviewed for indications of impairment at the end of each reporting period. If an indication of impairment exists, the Group makes an estimate of the asset’s recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

k) Income taxes

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

l) Restoration and environmental obligations

The Group recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Group's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Group's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Group's estimates of reclamation costs, are charged to profit and loss for the period. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Group's accounting policy for exploration and evaluation assets.

Management has determined that it has no significant known or expected restoration or environmental obligations at this time.

m) Foreign currency translation

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The Group determined that the functional and presentation currency for the Company and its subsidiaries is the United States dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

n) New Accounting Standards and Interpretations Not Yet Adopted

Amendments to IFRS 7, *Financial Instruments: Disclosures* are effective for annual periods beginning on or after July 1, 2011. These amendments increase the disclosure relating to the transfer of financial assets, especially if there is a disproportionate amount of transfer transactions that take place around the end of a reporting period.

New standard IFRS 9, *Financial Instruments* is effective for annual periods beginning on or after January 1, 2013. This new standard is the fist part of a multi-phase project to replace IAS 39, *Financial Instruments: Recognition and Measurement*.

Amendments to IAS 12, *Income Taxes* are effective for annual periods beginning on or after January 1, 2012. These amendments supersede Standing Interpretations Committee ("SIC") Interpretation 21, *Income Taxes – Recovery of Revalued Non-Depreciable Assets*.

Management is currently assessing the impact that these revised or new standards will have on the Group's consolidated financial statements.

(Expressed in US dollars)

3. EXPLORATION AND EVALUATION PROPERTIES

	Tres Cruces	Estrella	Other Mineral Properties	Total
	(Note 3(a))	(Note 3(b))	(Note 3(c))	
Balance, January 1, 2010	$ 1,004,908	$ 1	$ 3	$ 1,004,912
Option payment received	(175,000)	-	-	(175,000)
Balance, December 31, 2010	$ 829,908	$ 1	$ 3	$ 829,912
Mineral property expenditures	31,439	-	-	31,439
Balance, March 31, 2011	$ 861,347	$ 1	$ 3	$ 861,351

(a) Tres Cruces Project, Peru

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

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

All exploration expenditures will be payable by Barrick until a production decision is made. Upon making a production decision, Barrick must pay the Company 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 2010 and its carrying value at March 31, 2011 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.

(Expressed in US dollars)

The aggregate carrying value of the Angelica, El Espigon and Ontario leases has been written down in a prior year to $3.

In the three months ended March 31, 2011 the Company incurred aggregated expenses of $14,542 (2010 - $14,284) for property management, administration and taxes on its Peru mineral properties.

4. TRADE PAYABLES AND ACCRUED LIABILITIES

As at	**March 31, 2011**	December 31, 2010	January 1, 2010
Trade payables	**$ 24,598**	$ 28,462	$ 28,006
Accrued liabilities	**22,374**	25,000	25,000
	$ 46,972	$ 53,462	$ 53,006

5. SHARE CAPITAL

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 changes in the Company's stock option plan for the three months ended March 31, 2011 and the year ended December 31, 2010 is as follows:

	Three months ended March 31, 2011		Year ended December 31, 2010	
	Number of Shares	**Weighted Average Exercise Price**	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of year	3,020,000	$0.49	1,820,000	$0.50
Granted	-	-	1,200,000	$0.45
Expired	(520,000)	$0.38	-	$0.38
Exercised	(150,000)	$0.38	-	$0.38
Options outstanding	**2,350,000**	**$0.51**	3,020,000	$ 0.48
Options exercisable	**1,450,000**	**$0.56**	2,120,000	$ 0.49

Stock options outstanding at March 31, 2011 are as follows:

Number of Options		Exercise		Weighted Average Contractual Life of Options Remaining
Outstanding	**Exercisable**	**Price**	**Expiry Date**	**in Years**
1,085,000	1,085,000	$0.55CAD	June 29, 2012	2.25
65,000	65,000	$1.00CAD	January 29, 2013	2.83
1,200,000	300,000	$0.45CAD	October 6, 2015	4.83
2,350,000	1,450,000	$0.56*		

* Weighted average exercise price in U.S. dollars

c) Share-based payments

In the three months ended March 31, 2011, the Company recognized share-based payments of $89,191 (2010 - $Nil) related to stock options granted in 2010. Share-based payments of $89,191 (2010 - $Nil) is included in general and administration for the period.

For the 1,200,000 stock options granted in October 2010, the fair value of each option granted to employees was estimated as at the date of the grant using the Black-Scholes Option Pricing Model with the following weighted average assumption and resulting fair value:

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

6. BASIC AND DILUTED LOSS PER SHARE

The impact of the outstanding options has not been included in the calculation of loss per share as the impact would be anti-dilutive. As such, the weighted average number of shares outstanding is the same for both basic and diluted loss per share for all periods presented.

7. RELATED PARTY TRANSACTIONS

a) The following services were provided to the Group by companies with common directors or officers, or by directors or officers for the periods ended March 31, 2011 and 2010:

For the three months ended March 31	**2011**	2010
Management and other fees	**$ 56,186**	$ 54,625
Share-based payments	**81,083**	-
Key management personnel compensation	**$ 137,269**	$ 54,625

(Expressed in US dollars)

b) At March 31, 2011 there were no outstanding amounts payable due to related parties (2010 - $Nil).

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

8. MANAGEMENT OF CAPITAL

The Company's common shares and stock options are considered to be capital under management. There has been no change in the nature of the Company's capital structure during the period ended March 31, 2011. The Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to pursue the development of mineral properties and to maintain a flexible capital structure at an acceptable risk.

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

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

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

There were no changes in the Company's approach to management of capital during the three month period ended March 31, 2011.

The Group is not subject to any external capital restrictions.

9. FINANCIAL INSTRUMENTS AND RISKS MANAGEMENT

a) Financial instruments

The carrying value of financial assets and liabilities at March 31, 2011, December 31, 2010 and January 1, 2010 are as follows:

As at	**March 31, 2011**	December 31, 2010	January 1, 2010
Financial Assets			
FVTPL, measured at fair value			
Cash and cash equivalents	**$ 410,406**	$ 485,644	$ 703,279
Loans and receivables, measure at amortized cost			
Receivables	**9,099**	2,671	2,081
Financial Liabilities			
Other liabilities, measured at amortized cost			
Trade payables	**$ 46,972**	$ 28,462	$ 28,006

The fair value hierarchy of financial instruments measured at fair value on the condensed consolidated statement of financial position is as follows:

As at	**March 31, 2011**	December 31, 2010	January 1, 2010
	Level 1	Level 1	Level 1
Cash and cash equivalents	**$ 410,406**	$ 485,644	$ 703,279

The Company does not use Level 2 or Level 3 valuation inputs for valuing cash and cash equivalents.

b) Credit risk

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

Concentration of credit risk exists with respect to the Group's cash and cash equivalent as all amounts are held at two major Canadian financial institutions.

c) Liquidity risk

Liquidity risk is the risk the Group will encounter difficulty in satisfying financial obligations as they become due. The Group ensures there is sufficient capital in order to meet short-term business requirements. The Group's cash is invested in business accounts, which are available on demand. The Group manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Group has sufficient cash and cash equivalents at March 31, 2011 to meet existing short-term business requirements for the following year.

d) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Group'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 do not have a significant impact on estimated cash flows or fair values as of March 31, 2011. The Group manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity.

e) Foreign currency risk

As at March 31, 2011, the majority of the Group's cash and cash equivalents, and trade payables and accrued liabilities are denominated in Canadian dollars, the value of which is subject to fluctuation in exchange rates.

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

f) 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 Group could have to cease operations. The Group is not exposed to significant other price risk.

10. SEGMENTED DISCLOSURE

The Company's only operating segment is mineral exploration and development. Of the Company's assets, $863,117 (2010 - $1,005,649) are located in Peru and $422,786 (2010 - $624,639) are located in Canada.

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in accordance with the current period's presentation.

12. TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

IFRS 1, *First-time Adoption of International Financial Reporting Standards*, establishes guidance for the initial adoption of IFRS. The accounting policies in Note 2 have been applied in preparing the condensed consolidated financial statements for the three months ended March 31, 2011 and the comparative information for the three months ended March 31, 2010. The consolidated financial statements for the year ended December 31, 2010 were prepared applying available standards under Canadian GAAP. For the first time adoption of IFRS the comparative figures for the year ended and as at December 31, 2010 and the opening IFRS statement of financial position on January 1, 2010 (the "Transition Date") have been revised where appropriate to conform with IFRS using the various exemptions and options available under IFRS 1, as set out below:

a) Share-based payment transactions

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2, *Share-based Payment* to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the Transition Date. The Company elected not to apply IFRS 2 to equity instruments that vested prior to the Transition Date. This resulted in an increase in share-based payment expense of $32,640 for the year ended December 31, 2010, related to 1,200,000 stock options granted on October 6, 2010, of which $Nil was adjusted for the three months ended March 31, 2010.

b) Business combinations

IFRS 1 provides the option to apply IFRS 3, *Business Combinations*, retrospectively or prospectively from the Transition Date. The Company elected not to retrospectively apply IFRS 3 to business combinations that occurred prior to its Transition Date.

c) IFRS mandatory exceptions

In accordance with IFRS 1, the Company's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under Canadian GAAP unless there is objective evidence that those estimates were in error. The estimates previously made by the Company under Canadian GAAP were not revised for application of IFRS.

d) Reclassification within Equity sections

Under Canadian GAAP, "Contributed surplus" was used to record the issuance of stock options. Upon adoption of IFRS, the balances in "Contributed surplus" have been reclassified to "Stock option reserve".

(Expressed in US dollars)

e) Reconciliations of Canadian GAAP to IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While adoption of IFRS has not changed the Company's actual cash flows, it has resulted in changes to the Company's reported financial position and results of operations. The following analysis represents the reconciliations from Canadian GAAP to IFRS for the respective periods noted:

Reconciliation of Statements of Financial Position

As at January 1, 2010	Note	Canadian GAAP	IFRS Adjustments	IFRS
Assets				
Current assets				
Cash and cash equivalents		$ 703,279	$ -	$ 703,279
Receivable		2,081	-	2,081
Prepaid expenses		6,498	-	6,498
		711,858	-	711,858
Non-current assets				
Exploration and evaluation properties		1,004,912	-	1,004,912
Total assets		$ 1,716,770	$ -	$ 1,716,770
Liabilities				
Current liabilities				
Trade payables and accrued liabilities		$ 53,006	$ -	$ 53,006
Equity				
Share capital		25,902,579	-	25,902,579
Contributed surplus	12(d)	518,893	(518,893)	-
Stock options reserve	12(d)	-	518,893	518,893
Deficit		(24,757,708)	-	(24,757,708)
		1,663,764	-	1,663,764
Total liabilities and equity		$ 1,716,770	$ -	$ 1,716,770

(Expressed in US dollars)

As at March 31, 2010	Note	Canadian GAAP	IFRS Adjustments	IFRS
Assets				
Current assets				
Cash and cash equivalents		$ 618,810	$ -	$ 618,810
Receivable		2,707	-	2,707
Prepaid expenses		3,859	-	3,859
		625,376	-	625,376
Non-current assets				
Exploration and evaluation properties		1,004,912	-	1,004,912
Total assets		$ 1,630,288	$ -	$ 1,630,288
Liabilities				
Current liabilities				
Trade payables and accrued liabilities		$ 39,596	$ -	$ 39,596
Equity				
Share capital		25,902,579	-	25,902,579
Contributed surplus	12(d)	518,893	(518,893)	-
Stock options reserve	12(d)	-	518,893	518,893
Deficit		(24,830,780)	-	(24,830,780)
		1,590,692	-	1,590,692
Total liabilities and equity		$ 1,630,288	$ -	$ 1,630,288

(Expressed in US dollars)

As at December 31, 2010	Note	Canadian GAAP	IFRS Adjustments	IFRS
Assets				
Current assets				
Cash and cash equivalents		$ 485,644	$ -	$ 485,644
Receivable		2,671	-	2,671
Prepaid expenses		8,048	-	8,048
		496,363	-	496,363
Non-current assets				
Exploration and evaluation properties		829,912	-	829,912
Total assets		$ 1,326,275	$ -	$ 1,326,275
Liabilities				
Current liabilities				
Trade payables and accrued liabilities		$ 53,462	$ -	$ 53,462
Equity				
Share capital		25,902,579	-	25,902,579
Contributed surplus	12(d)	671,168	(671,168)	-
Stock options reserve	12(a) and 12(d)	-	703,808	703,808
Deficit	12(a)	(25,300,934)	(32,640)	(25,333,574)
		1,272,813	-	1,272,813
Total liabilities and equity		$ 1,326,275	$ -	$ 1,326,275

(Expressed in US dollars)

Reconciliation of Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2010	Canadian GAAP	IFRS Adjustments	IFRS
Expenses			
Consulting fees	$ 31,325	$ -	$ 31,325
Directors committee fees	8,648	-	8,648
General and administration	25,499	-	25,499
Insurance	2,785	-	2,785
Legal and audit	686	-	686
Property maintenance	15,898	-	15,898
Regulatory fees	6,472	-	6,472
Rent	2,200	-	2,200
Loss before other items	93,513	-	93,513
Other items			
Foreign exchange gain	(28,007)	-	(28,007)
Interest income	(1,049)	-	(1,049)
Write-off of receivables	8,615	-	8,615
	(20,441)	-	(20,441)
Net loss and comprehensive loss for period	$ 73,072	$ -	$ 73,072

(Expressed in US dollars)

For the year ended December 31, 2010	Note		Canadian GAAP		IFRS Adjustments		IFRS
Expenses							
Consulting fees	12(a)	$	133,884	$	(4,011)	$	129,873
Directors committee fees			34,951		-		34,951
General and administration	12(a)		259,163		36,651		295,814
Insurance			11,499		-		11,499
Legal and audit			41,719		-		41,719
Property maintenance			77,085		-		77,085
Regulatory fees			10,709		-		10,709
Loss before other items			569,010		32,640		601,650
Other items							
Foreign exchange gain			(33,888)		-		(33,888)
Interest income			(3,246)		-		(3,246)
Write-off of receivables			11,350		-		11,350
			(25,784)		-		(25,784)
Net loss and comprehensive loss for period		$	543,226	$	32,640	$	575,866

(Expressed in US dollars)

Reconciliation of Statement of Cash Flows

For the three months ended March 31, 2010	Canadian GAAP	IFRS Adjustments	IFRS
Operating Activities			
Net loss	$ (73,072)	$ -	$ (73,072)
Items not involving cash			
Write-off of receivables	8,615	-	8,615
Change in non-cash working capital		-	-
Accounts receivable	(9,241)	-	(9,241)
Prepaid expenses	2,639	-	2,639
Trade payables and accrued liabilities	(13,410)	-	(13,410)
Cash used in operating activities	(84,469)	-	(84,469)
Decrease in cash and cash equivalents	(84,469)	-	(84,469)
Cash and cash equivalents, beginning of period	703,279	-	703,279
Cash and cash equivalent, end of period	$ 618,810	$ -	$ 618,810

NEW OROPERU RESOURCES INC.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2011
(All figures expressed in US dollars)

General

The information in this Management's Discussion and Analysis, or MD&A, is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of New Oroperu Resources Inc. (the "Company" or "New Oroperu"). This MD&A should be read in conjunction with the unaudited consolidated financial statements of the Company, including the notes thereto, for the three months ended March 31, 2011, 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, 2010. This MD&A has taken into account information available up to and including June 27, 2011.

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

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

Company Overview

The Company's principal asset continues to be the estimated 1.7 million oz. gold Tres Cruces deposit in north central Peru. In 2003 the Company optioned a 70% interest in the Tres Cruces project to a subsidiary of Barrick Gold Corporation.

The Tres Cruces property has an estimated historical measured and indicated resource of 1.7 million oz. gold. This historical resource pre-dates the implementation of National Instrument 43-101 regulations and is therefore deemed non-compliant and not to be relied on. In 2003, subsequent to the historical resource estimation, Oroperu optioned 70% of its 100% interest in the Company´s wholly owned subsidiary Aurifera Tres Cruces S.A. The Tres Cruces project is currently being further explored under the terms of an option agreement with Minera Barrick Misquichilca S.A. ("Barrick"), the operating Peruvian subsidiary of Barrick Gold Corporation. Barrick may earn a 70% interest in Aurifera subject to an underlying 1.5% royalty and 2% royalty to the Company.

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

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

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

The Company's total cash position at March 31, 2011 was $410,406 (2010– $618,810) and with all the proposed exploration expenditures on the Tres Cruces project being covered by Barrick under its option agreement with the Company, the Company's current cash position is sufficient to meet its projected cash requirements for the year. New Oroperu's working capital position at March 31, 2011 was $377,580 (2010- $585,780).

Outlook

The Company's Tres Cruces project is dependent on Barrick's plans and decisions relating to its option and ultimately to advance the project through to production. Barrick has maintained the option since

2003, and although there is no certainty, New Oroperu expects that Barrick will continue to maintain its option and advance the project forward to a production decision.

Tres Cruces Project

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

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

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

Barrick has completed certain engineering and piezometric studies and continues to monitor its environmental work required for the permitting process. No drilling was completed in 2010. In May 2011 Barrick paid the Company the $250,000 ($175,000 net of withholding tax) payment required to maintain its option on the Tres Cruces property for the next year.

Other Mineral Properties

No field work was conducted during the year.

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

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

Results of Operations

The Company's net loss for the three months ended March 31, 2011 was $180,073 (2010–$73,072). The Company incurred mineral property expenditures on the Tres Cruces property of $31,439, which were added to the deferred cost of the project and expenses of $14,542 (2010-$15,898) on other mineral properties, which consisted of property maintenance and direct administration and management. In the quarter ended March 31, 2011, the Company kept the majority of its cash in Canadian dollars and foreign exchange loss of $19,104 (2010-$28,007) was the result of converting in the Company's U.S. Reporting currency for Canadian fluctuations to the Canadian dollar.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2011
(All figures expressed in US dollars)

Overhead and other expenses were $189,976, higher than the same period last year (2010-$93,513). In the three months ended March 31, 2011, the Company recognized share-based payments of $89,191 (2010 - $Nil) related to stock options granted in 2010, and which are included in general and administration for the period.

Barrick continues to cover all project costs associated with the Tres Cruces project, and in May 2011 Barrick remitted its annual $250,000 payment (2010-$250,000) (note: $175,000 net, after Peru withholding taxes) to maintain its option for the current year. The Tres Cruces option payment is credited against the total deferred costs of the Tres Cruces project, and has the effect of reducing its balance sheet value.

Summary of Quarterly Results

Results for the eight most recent quarters ending with the last quarter ending March 31, 2011:

For the quarterly periods ending	**March 31 2011**	**December 31 2010**	**September 30 2010**	**June 30 2010**
Loss for the quarter	$ 180,073	$ 290,174	$ 74,881	$ 137,739
Basic loss per share	$ 0.01	$ 0.02	$ 0.00	$ 0.01
For the quarterly periods ending	**March 31 2010**	**December 31 2009**	**September 30 2009**	**June 30 2009**
Loss for the period	$ 73,072	$ 19,668	$ 71,763	$ 29,407
Basic loss per share	$ 0.00	$ 0.00	$ 0.00	$ 0.00

The Company's fourth quarter loss ($290,174) included non-cash stock compensation costs of $184,915, for stock options issued during the quarter. The Company incurred a $16,207 foreign exchange gain in the fourth quarter, due to a rise in the value of the Canadian dollar during the period. The Company's overhead and operating expenses continue to remain stable and moderate for an organization of its size.

Financial Condition, Liquidity and Capital Resources

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

New Oroperu's cash decreased by $75,238 since December 31, 2010. In the past 12 months, New Oroperu's principal source of cash was from the $175,000 (net) property option payment from Barrick. The Company also received $57,000 from the exercise of stock option in January 2011.

The Company's total cash position at March 31, 2011was $410,406 (2010– $618,810), which is sufficient to meet property maintenance and corporate needs for the ensuing year. At March 31, 2011 the Company held the majority of its cash in Canadian dollars. New Oroperu's working capital position at March 31, 2011 was $377,580 (2010- $585,780).

The Company would need to raise 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 when needed to allow the Company to continue its 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 future exploration activities until funds become available.

(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 $35,000 for the next year.

Off-Balance Sheet Arrangements

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

Outstanding Share Data

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

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

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

Related Party Transactions

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

For the three months ended March 31		**2011**		2010
Management and other fees	**$**	**56,186**	$	54,625
Share-based payments		**81,083**		-
Key management personnel compensation	**$**	**137,269**	$	54,625

At March 31, 2011, there were no amounts outstanding or payable 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.

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 issue new shares, issue debt, or may 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.

The Company does not expect to pay out dividends in the foreseeable future. The Company's investment policy is to keep its cash on deposit in an interest bearing major 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.

Changes in Accounting Policies

Adoption of International financial reporting standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt IFRS for financial periods beginning on and after January 1, 2011. The Company's first interim financial statements prepared under IFRS are the interim financial statements for the three months ended March 31, 2011 with the effective date of transition being January 1, 2010. These interim financial statements include full disclosure of its new IFRS policies in Note 2.

Transition to IFRS

IFRS 1, First-time Adoption of International Financial Reporting Standards, sets forth guidance for the initial adoption of IFRS. The Company has applied the following exemptions to its opening statement of financial position dated January 1, 2010.

Share-based Payment -- IFRS 1 encourages, but does not require, first time adopters to apply IFRS 2, Share-based Payment to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before January 1, 2010. The Company elected not to apply IFRS 2 to equity instruments that vested prior to January 1, 2010.

IFRS 1 also outlines mandatory guidelines that a first time adopter must follow. The Company applied the following mandatory guidelines to its opening statement of financial position dated January 1, 2010.

Estimates -- In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in errors. The Company's IFRS estimates as of January 1, 2010 are consistent with its Canadian GAAP estimates for the same date.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While adoption of IFRS has not changed the Company's actual cash flows, it has resulted in changes to the Company's reported financial position and results of operations. In order to allow users to better understand these changes, the Company's Canadian GAAP statements of financial position as at January 1, 2010 and December 31, 2010, statement of loss and comprehensive loss for the three months ended March 31, 2010 and for the year ended December 31, 2010 and statement of cash flows for the three months ended March 31, 2010 have been reconciled to IFRS, with the resulting differences explained.

Canadian GAAP to IFRS differences:

(a) IFRS 2, Share-based payment

The Company elected to apply IFRS 2 only to those stock options granted subsequent to November 7, 2002 and not vested before January 1, 2010. This resulted in an increase in share-based payment expense of $32,640 for the year ended December 31, 2010, related to 1,200,000 stock options granted on October 6, 2010, of which $nil was adjusted for the three months ended March 31, 2010.

(b) Reclassification within Equity section

Under Canadian GAAP, “Contributed surplus” was used to record the issuance of warrants and stock options. Upon adoption of IFRS, the balances in “Contributed surplus” have been reclassified to “Stock options reserve”.

Detailed schedules of the impact of these changes are included in Note 12 of the interim financial statements for the three months ended March 31, 2011.

Financial Instruments

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss (“FVTPL”), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in accumulated other comprehensive income. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and deficit.

The Company has designated its cash as FVTPL, which is measured at fair value. Exploration advances and other receivables are classified as loans and receivables, which are measured at amortized cost. Trade payables are classified as other financial liabilities which are measured at amortized cost.

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.

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, 2011, the Company had a cash balance of $410,406 to settle current liabilities of $46,972. All of the Company’s financial liabilities have maturities of 30 days or are due on demand and are subject to normal trade terms.

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2011
(All figures expressed in US dollars)

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, 2011. 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, 2011, the majority of the Company's cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are denominated in Canadian dollars, the value of which is subject to fluctuation in exchange rates against the US dollar. Cash held in US dollars amounted to $60,310 at March 31, 2011(2010- $38,120).

At March 31, 2011, the Company is exposed to currency risk as follows:

Canadian currency:		
Cash and cash equivalents	$	339,089
Accounts receivable		9,099
Accounts payable and accrued liabilities		(22,402)
Net foreign exposure	$	325,786

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

(c) Other price risk

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

Sensitivity analysis

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

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

MANAGEMENT DISCUSSION & ANALYSIS
For the three months ended March 31, 2011
(All figures expressed in US dollars)

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.

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. 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.