

NEW OROPERU RESOURCES INC.

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)
FOR THE THREE MONTHS ENDED MARCH 31, 2005**

(PREPARED BY MANAGEMENT WITHOUT AUDIT)

Note: These unaudited consolidated financial statements and accompanying notes hereto for the period ended March 31, 2005 have not been reviewed by the Company's auditors.

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**NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM BALANCE SHEETS
AS AT MARCH 31, 2005 AND DECEMBER 31, 2003
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)**

	March 31	December 31
	2005	2004
Assets		(audited)
Current Assets		
Cash and cash equivalents	\$ 1,865,512	\$ 1,984,189
Accounts receivable	12,299	9,198
Prepaid expenses	53,490	255
	1,931,301	1,993,642
Mineral Properties (Note 3)	1,904,912	1,904,912
Investment and Advances Receivable (Note 4)	2	2
	\$ 3,836,215	\$ 3,898,556
Liabilities		
Current		
Accounts payable and accrued liabilities	110,119	112,058
Shareholders' Equity		
Share capital (Note 5)	25,733,946	25,733,946
Stock Based Compensation	57,070	57,070
Deficit	(22,164,920)	(22,048,518)
	3,626,096	3,786,498
	\$ 3,836,215	\$ 3,898,556

"K. Wayne Livingstone"

Director

"Maynard E. Brown"

Director

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	2005	2004
Expenses		
Property investigation and maintenance expenses	26,264	-
General and administration	17,938	26,571
Consulting fees	18,000	18,000
Regulatory fees	2,541	4,936
Legal and audit	603	2,952
Rent	3,366	2,870
	68,812	54,556
Interest Income	(8,410)	(8,385)
Net Loss for the Period	60,402	46,171
Deficit - Beginning of Period	22,004,518	21,927,359
Deficit - End of Period	\$22,064,920	\$21,973,530
Basic and diluted loss per share	\$0.01	\$0.01

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	2005	2004
Cash provided by (used for)		
Operations		
(Loss) for the period	\$(60,402)	\$(46,171)
Net changes in non-cash working capital		
Account receivable	(3,101)	14,037
Prepaid expenses	(53,235)	(51,788)
Accounts payable and accrued liabilities	(1,939)	(18,289)
Decrease in cash	(118,677)	(102,211)
Cash, beginning of period	1,984,189	1,814,778
Cash, end of period	\$1,865,512	\$1,712,567

**NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2005
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)**

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND NATURE OF OPERATIONS

The Company is in the business of exploration and development of mineral properties and is considered to be in the exploration stage. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development, and future profitable production from the properties or proceeds of disposition.

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

SA Mining also owns 100% of T.C. Mining Inc. ("TC Mining"), a company incorporated in the Bahamas. TC Mining owns a 100% interest in Aurifera Tres Cruces S.A. ("Aurifera"), a company incorporated in Peru for the purposes of operating the Tres Cruces project (Note 3).

The Company was listed on the TSX Venture Exchange on October 25, 2002 and is a reporting issuer in Ontario, Alberta and British Columbia.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

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

- S.A. Mining Ventures Limited
- Angelica Mining Inc.
- Oromin S.A.
- T.C. Mining Inc.
- Aurifera Tres Cruces S.A.

Interim Financial Reporting

The accompanying unaudited interim consolidated financial statements are prepared in accordance with generally accepted accounting principles ("GAAP") in Canada with respect to the preparation of interim financial statements. Accordingly, they do not include all of the information and disclosures required by Canadian GAAP in the preparation of annual consolidated financial statements. The accounting policies used in the preparation of the accompanying unaudited interim consolidated financial statements are the same as those described in the annual consolidated financial statements and the notes thereto for the year ended December 31, 2004. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. The interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements including the notes thereto for the year ended December 31, 2004

Management estimates

The preparation of financial statements in conformity with generally accepted accounting principles in Canada requires management to make estimates and assumptions that affect the

reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. MINERAL PROPERTIES

Tres Cruces Project

In October 1998, the Company entered into a joint venture agreement with Pan American Silver Corp. ("Pan American") to pool each company's property interests in the Tres Cruces project. After each company had earned an equal interest in the other's property, Aurifera was formed to hold and develop the properties with each company owning 50% of Aurifera.

On May 22, 2002 the Company obtained an option from Pan American to acquire Pan American's 50% interest in the shares of Aurifera in consideration of share issuances and \$1,750,000 in work expenditures to earn the right to exercise the option, and thereafter \$100,000 in annual payments and a 2% Net Smelter Royalty ("NSR"), of which a \$1,000,000 advance royalty is payable upon a production decision. In 2002, 500,000 shares of the Company, valued at \$50,000, were issued to Pan American and in 2003, \$12,600 cash was paid for Tres Cruces property expenses as part of the earn-in to exercise the option.

On September 16, 2003 the Company finalized an agreement with Minera Barrick Misquichilca S.A. ("Barrick") for an option to acquire up to a 70% interest in Aurifera and received an initial payment of \$400,000 from Barrick. Barrick is obligated to spend \$1,750,000 on the project by September 30, 2005 and pay \$200,000 annually until the exploration obligation is met, and thereafter \$250,000 a year to maintain its option. All exploration expenditures will be payable by Barrick until a production decision is made. Following a production decision, the Company would retain a net 21% fully financed interest in Aurifera and a 1½% royalty interest.

On October 31, 2003 the Company entered into a new agreement with Pan American which replaced the May 22, 2002 agreement. The new agreement, which closed on March 30, 2005, accelerated the purchase of the 50% of Aurifera held by Pan American with the issuance of 3,500,000 common shares of the Company and the granting of a 1½% NSR to Pan American. The agreement was approved at an extraordinary meeting of shareholders held on February 27, 2005, as the issuance of 3,500,000 shares resulted in the creation of a control position in the Company by Pan American. Of the 3,500,000 shares issued, 1,000,000 of the shares will be held in escrow for a two year period.

By consolidating 100% of the interest in the Tres Cruces property, the Company's interest in the Barrick agreement increased from 21% to 30% and its royalty interest increased from 1½% to 2%. No further payments will be required to be made by the Company to Pan American and all annual option payments required of Barrick will be payable to the Company, including the \$1,000,000 advance royalty payment.

The company acquired control of Aurifera on March 30, 2005 as noted above. Accordingly the accounts and operations of Aurifera have been consolidated in the accounts of the Company as of the acquisition date.

3. Mineral Properties

Tres Cruces Project (continued)

The acquisition has been accounted for under the purchase method as a step-by-step purchase as follows:

Original share of net assets held prior to control	\$ 179,908
Net identifiable assets acquired	1,551,747
Residual amount assigned to mineral property interest	373,253
Consideration paid by issuance of 3,500,000 shares (Note 5(a))	1,925,000
Option payment received from Barrick in 2004	(200,000)
Carrying value of Tres Cruces property interest	\$ 1,904,908

Other Mineral Properties

The Company owns a 100% interest in three separate mineral properties located in various regions of Peru. The properties were acquired as a result of regional exploration programs in prior years. The Angelica and Trucha Dorada properties are located in Libertad province, 5 km and 25 km from the Company's Tres Cruces project. The El Espigon property is located near Huancavalica, Peru. During 2003, due to uncertainty over the Company's future plans for the properties and lack of objective methodology in measuring recoverable value, the Company wrote down the carrying value of these properties by \$1,482,506, to a nominal value of \$1 each.

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

The aggregate carrying value of the Angelica, Trucha Dorada, El Espigon and Ontario leases is \$4.

4. INVESTMENT AND ADVANCES RECEIVABLE

The Company's 20% interest in Nuevo Condor Inc., a former subsidiary in Bahamas, which investment is recorded at a nominal value of \$2.

5. CAPITAL STOCK

	Number of Shares	Amount
Authorized 100,000,000 common shares without par value		
Issued and outstanding Balance, December 31, 2004	15,503,574	\$ 25,733,496
Balance, March 31, 2005	15,503,574	\$ 25,733,496

(a) Warrants

At March 31, 2005 the Company had 2,679,240 warrants outstanding to purchase 2,679,240 common shares at a price of \$0.80 per share until their expiry date on October 25, 2005.

(b) Stock options

The Company has a stock option plan which authorizes the board of directors to grant options for the purchase of up to 2,250,314 common shares. Options granted under the plan vest over a period of 18 months from the date of the 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 the grant.

A summary of the status of the Company's stock options at March 31, 2005 is as follows:

	Number of Shares	Weighted Average Exercise Price
Outstanding at December 31, 2004	734,750	\$0.15
Outstanding at March 31, 2005	734,750	\$0.15
Options exercisable at March 31, 2005	734,750	\$0.15

The options to acquire 734,750 shares expire on October 25, 2007.

6. RELATED PARTY TRANSACTIONS

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

Consulting	\$	18,000
General and administration		<u>7,890</u>
Total	\$	25,980

7. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. Of the Company's assets, an amount of assets totaling \$1,904,913 (2004-\$2,104,909) is located in Peru and \$1,931,301 (2004-\$1,777,031) is located in Canada.

Note: These unaudited consolidated financial statements and accompanying notes hereto for the period ended March 31, 2005 have not been reviewed by the Company's auditors.

NEW OROPERU RESOURCES INC.

FORM 51-102F1
MANAGEMENT DISCUSSION & ANALYSIS
(expressed in US dollars)

MARCH 31, 2005

Description of Business and Report Date

New Oroperu Resources Inc. (the "Company", "New Oroperu") is an exploration stage company engaged in the acquisition and exploration of prospective gold properties. The Company is currently focusing its exploration activities in Peru. The Company is a reporting issuer in Ontario, British Columbia and Alberta and trades in U.S. dollars on the TSX Venture Exchange under the symbol ORO.U. The following discussion and analysis of the financial position and results of operations for the Company should be read in conjunction with the audited financial statements and the notes thereto for the year ended December 31, 2004.

The following management discussion and analysis is for the period ended March 31, 2005 and includes information up to May 10, 2005 ("Report Date").

The Company's total cash position at March 31, 2005 was \$1,865,512, 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 project and corporate needs for the year. New Oroperu's working capital position at March 31, 2005 was \$1,821,182.

Tres Cruces Project

The Company's principal asset is the Tres Cruces mineral project in north central Peru.

The Tres Cruces property is underlain by Tertiary Calipuy volcanics which host gold mineralization in the area. To date about \$7 million has been spent on the property with 38,662 meters of reverse-circulation and diamond drilling completed. This work has outlined a measured and indicated resource of 1.7 million oz. gold in the northwest part of the property.

In September 2003 the Company finalized 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. An initial payment of \$400,000 was received from Barrick in respect of this option during the period. Barrick is obligated to spend \$1,750,000 on the project by December 31, 2005 and pay \$200,000 annually until the exploration obligation is met, and thereafter \$250,000 a year to maintain its option. All exploration expenditures will be incurred by Barrick until a production decision is made. Following a production decision, the Company would retain a net 30% fully financed interest in Aurifera and a 2% royalty interest.

On March 30, 2004 the Company completed an agreement with Pan American for the purchase of the 50% of Aurifera previously held by Pan American, with the issuance of 3,500,000 common shares of the Company and the granting of a 1½% NSR to Pan American. Of the shares issued, 1,000,000 shares are being held in escrow for a two year period.

No further payments are required to be made by the Company to Pan American and all annual option payments required of Barrick will be payable to the Company, including a \$1,000,000 advance royalty payment previously payable to Pan American.

In 2003, under the terms of its agreement with the Company, Barrick completed an initial phase program on the Tres Cruces property. The Barrick exploration program was comprised of geological mapping, re-logging of existing drill core, IP and gravity geophysical studies and the drilling of 14 diamond drill holes for a total of 4,029 metres. Barrick's main thrust for this phase of work was to evaluate lateral extensions of known mineralization as defined by prior drilling and IP targets immediately outside the known resource to the west and to a lesser degree, the east, with limited success. This leaves the southwest extension of the mineralization open towards Cerro Colorado. Barrick hole DTC202 intersected 186 metres of 1.20 g/t Au on the east margin of the south zone deposit. The waste boundaries in these areas had been generally defined by prior drilling.

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Barrick's 2004 drilling exploration program completed 5 drill holes on wide spaced centers along the SW extension of the mineralized zone. The altered sinter/sediment basin was intercepted several times but no mineralization was encountered underneath similar to the earlier found deposits. Barrick also twinned several holes in the known deposits for metallurgical testing.

In 2004 Barrick announced that it had obtained permits necessary for construction of facilities capable of producing 535,000-560,000 oz. of gold per year from its Alta Chicama project, located about 15 km. north from Tres Cruces. Following the first quarter 2005 Barrick stated that construction on the Alta Chicama project is already about 95% complete. The commissioning of the equipment and facilities at Alta Chicama started last month and its first gold pour is expected to be made in mid-June 2005.

Other Mineral Properties

The Company owns a 100% interest in three separate grassroots mineral properties located in various regions of Peru. The properties were acquired as a result of regional exploration programs in prior years. Two of the properties are located in Libertad province, 5 km and 25 km, respectively, from the Tres Cruces project. The other property is located near Huancavalica, Peru. In 2003, due to uncertainty over the Company's future plans for the properties and lack of objective methodology in measuring recoverable value, the Company wrote down the carrying value of these properties by \$1,482,506, to a nominal value of \$1 each. New Oroperu is also currently in the process of acquiring mineral property in Peru by application, adjacent to an already acquired silver prospect that it owns 100%. The Company spent \$25,264 in the 3 month period ended March 31, 2005 on mineral property investigations and maintenance in Peru.

The Company also owns three mineral leases located in Ontario, Canada, which have been previously written down to a nominal value of \$1 each.

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

Investment

The Company has a 20% interest in Nuevo Condor Inc., a former subsidiary in Bahamas, which investment has been written down to a nominal value of \$2.

Results of Operations

The Company's operating and net loss for the 3 months ended March 31, 2005 of \$60,402 was higher than for the same period last year of \$46,171, due to mineral property investigations costs in Peru. For the quarter ended March 31, 2005, general and administrative costs of \$17,938 remained low and continued to decrease in comparison to the previous year (2004 - \$26,571).

In this quarter the Company continued to invest its cash in low-risk bankers' acceptance note securities, earning \$8,410 in interest during the period.

The Company did not incur any investor relations expense in the first quarter, however it did pay a \$46,500 deposit for planned investor relations work which has been booked as a prepaid expense in the quarter.

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MANAGEMENT DISCUSSION & ANALYSIS
(expressed in US dollars)

MARCH 31, 2005

Summary of Quarterly Results

Results for the eight most recent quarters ending with the last quarter ending March 31, 2005.

For the quarterly periods ending on	Mar. 31 2005	Dec. 31 2004	Sept. 30 2004	June 30 2004
Loss (income) before adjustments	\$ 60,402	\$(105,513)	\$ 34,036	\$ 88,539
Loss (income) for the period	60,402	(105,513)	34,039	88,539
Basis loss (earnings) per share	0.01	(0.01)	0.01	0.01
For the quarterly periods ending on	Mar. 31 2004	Dec. 31 2003	Sept. 30 2003	June 30 2003
Loss before adjustments	\$ 46,171	\$ 29,340	\$ 56,747	\$ 105,472
Loss (income) for the period	46,171	1,510,220	11,622	(77,190)
Basic loss (earnings) per share	0.01	0.13	0.01	(0.01)

Liquidity

The Company's cash and cash equivalents increased by a net amount of \$152,945 since March 31, 2004. The Company's sources of cash in the last 12 months were:

- \$200,000 option payment from Barrick
- \$41,025 in interest income
- \$3,750 from the exercise of stock options

The Company's total cash position at March 31, 2005 was \$1,865,512, sufficient to meet its project and corporate needs for the ensuing year. The Company's total working capital position at March 31, 2005 of \$1,821,182 (2004 - \$1,692,516) is expected to improve further in the second quarter based on the projected receipt of the next annual Tres Cruces option payment from Barrick of \$200,000 in May 2005.

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 \$18,000 this year.

Off-Balance Sheet Arrangements

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

Related Party Transactions

N.S. Star Enterprises, a company owned by K. Wayne Livingstone, president of New Oroperu, provided technical management services and administrative services to the Company in the quarter totaling in the aggregate \$21,000 (2004-\$21,000).

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Morfopoulos Consulting Associates Ltd., a company 50% owned by Aris Morfopoulos, C.F.O. of New Oroperu, provided accounting and administration services to the Company during the quarter totaling \$4,890 (2004-\$4,630).

Critical Accounting Estimates

The most significant accounting estimate for the Company relates to the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment of value.

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

Financial Instruments

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the short term to maturity of these instruments.

Forward-Looking Statements

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

Risk Factors

Companies operating in the mining industry face many and varied kind of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following are the risk factors most applicable to the Company.

Industry

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

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MARCH 31, 2005

monitors its risk based activities and employs experienced consulting, engineering, insurance and legal advisors to assist in its risk management reviews.

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

Metal Prices

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

Political Risk

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

Environmental

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

Other

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