NEW OROPERU RESOURCES INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Expressed in U.S. Dollars)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2003

(PREPARED BY MANAGEMENT WITHOUT AUDIT)

203 – 15521 Marine Drive
White Rock, British Columbia, Canada
V4B 1C9

Tel: (604) 535-4451
Fax: (604) 538-6558

British Columbia
Securities Commission

QUARTERLY AND YEAR END REPORT
BC FORM 51-901F (previously Form 61)

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1-800-373-6393.

INCORPORATED AS PART OF:

X Schedule A

___ Schedules B and C

(Place X in appropriate category.)

ISSUER DETAILS

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
New Oroperu Resources Inc.	September 30, 2003	03/11/26

ISSUER'S ADDRESS

15521 Marine Drive, Suite 203

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
White Rock,	British Columbia	V4B 1C9	604-538-6558	604-535-4451

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
Aris Morfopoulos	Chief Financial Officer	604-721-2650

CONTACT EMAIL ADDRESS	WEB SITE ADDRESS
"aris@oroperu.com"	"www.oroperu.com"

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"K. Wayne Livingstone"	K. Wayne Livingstone	03/11/26

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Maynard E. Brown"	Maynard E. Brown	03/11/26

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM BALANCE SHEETS
AS AT SEPTEMBER 30, 2003 AND DECEMBER 31, 2002
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	Sept 30	December 31
	2003	**2002**
Assets		
Current Assets		
Cash and cash equivalents	$ 1,493,411	$ 1,474,948
Accounts receivable	40,162	30,780
Prepaid expenses	5,633	6,380
	1,539,206	1,512,108
Investment in Aurifera (Notes 3 and 10)	162,600	550,000
Investment and Advances Receivable (Note 4)	2	2
Mineral Properties (Note 5)	1,482,510	1,482,510
	$ 3,184,318	$ 3,544,620
Liabilities		
Current		
Accounts payable and accrued liabilities	69,122	142,806
Bank loan (Note 6)	-	272,006
	69,122	414,812
Shareholders' Equity		
Share Capital (Note 7)	23,482,938	23,437,683
Stock Based Compensation (Note 7(e))	49,397	24,363
Deficit	(20,417,139)	(20,322,238)
	3,115,196	3,139,808
	$ 3,184,318	$ 3,554,620

"*K. Wayne Livingstone*"
Director

"*Maynard E. Brown*" .
Director

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	Three months ended September 30		Nine months ended September 30	
	2003	**2002**	**2003**	**2002**
Expenses				
Consulting	$ 18,000	$ 51,842	$ 85,500	$ 66,842
General and administration	34,912	26,827	118,239	75,838
Interest	-	8,350	9,520	25,053
Investor relations	8,231	-	38,231	-
Mineral properties	-	1,025	33,881	1,025
Stock based compensation	-	-	37,983	-
	61,143	88,044	323,354	168,758
Interest Income	(4,396)	-	(10,666)	-
Operating Loss for the Period	56,747	88,044	312,688	168,758
Gain on settlement of bank loan	-	-	(178,758)	-
Gain on foreign exchange	(45,125)	-	(45,125)	(578)
Gain on write-off of accounts payable	-	-	(5,530)	-
Loss on write-off of accounts receivable	-	-	1,626	-
Net Loss for the Period	$ 11,622	$ 50,561	$ 84,901	$ 168,180
Deficit – Beginning of Period	20,405,517	20,147,303	20,332,238	20,067,167
Deficit - End of Period	**$20,417,139**	**$20,235,347**	**$20,417,139**	**$20,235,347**
Loss per share	**<$0.01**	**<$0.01**	**<$0.01**	**<$0.01**

NEW OROPERU RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(PREPARED BY MANAGEMENT WITHOUT AUDIT)
(Expressed in U.S. dollars)

	Three months ended September 30		Nine months ended September 30	
	2003	**2002**	**2003**	**2002**
Cash provided by (used for)				
Gain (Loss) for the period	$ (11,622)	$ (88,044)	$ (84,901)	$ (168,180)
Items not involving cash				
Write-off of accounts receivable	-	-	1,626	-
Write-off of accounts payable	-	-	(5,530)	-
Write-off bank loan	-	-	(176,526)	-
Stock based compensation	-	-	37,983	-
Expenses settled by issuance of Special warrants	-	-	-	12,906
	(11,622)	(88,044)	(227,348)	(155,274)
Net changes in non- cash working capital items				
Accounts receivable	727	768	(11,009)	(2,697)
Accounts payable	(73,850)	38,837	(68,154)	56,724
Prepaid expenses	(4,228)	-	747	-
Bank loan	-	8,351	(95,480)	25,427
	(88,973)	(40,088)	(401,244)	(75,826)
Investing activities				
Payment on Aurifera option	-	-	(12,600)	-
Barrick option payment on Aurifera	400,000	-	400,000	-
Financing activities				
Private placement	-	-	-	120,000
Stock options and warrants exercised	6,750	-	32,307	-
Increase (decrease) in cash	317,777	(40,088)	18,463	44,174
Cash, beginning of period	1,175,634	84,262	1,474,948	-
Cash, end of period	**$ 1,493,411**	**$ 44,174**	**$ 1,493,411**	**$ 44,174**

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND NATURE OF OPERATIONS

The Company was originally formed in 1995 through an amalgamation of a private issuer, Oroperu Resources Inc., a company incorporated under the Company Act (British Columbia), and an Ontario reporting issuer, Canlorm Resources Inc. In 1997, the Company's articles of incorporation were continued to the jurisdiction of the Business Corporations Act (Yukon). On June 6, 2001 the Company changed is name to New Oroperu Resources Inc. and consolidated its outstanding share capital on a 1 for 10 basis. On June 11, 2002, the Company discontinued in the Yukon and continued back to the jurisdiction of British Columbia.

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

The Company is in the business of exploration and development of mineral properties and is considered to be in the exploration stage. 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 which owns mineral properties in Peru.

SA Mining also owns 100% of T.C. Mining Inc. ("TC Mining"), a company incorporated in the Bahamas. TC Mining owns a 50% interest in Aurifera Tres Cruces S.A. ("Aurifera"), a company incorporated in Peru for the purposes of operating the Tres Cruces project (Note 3).

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,
Oromin S.A.,
T.C. Mining Inc.

All intercompany transactions and balances have been eliminated on consolidation.

Basis of Presentation

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, 2002. 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, 2002.

Exploration and development properties

The Company capitalizes all costs related to investments in mineral property interests on a property by property basis. Such costs include mineral property acquisition costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are either developed or the Company's mineral rights are allowed to lapse.

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, provision is made for the impairment in value.

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

These costs are depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

Foreign currency translation

All accounts are reported in United States dollars. Accounts denominated in currencies other than the U.S. dollar are translated into their U.S. dollar equivalents. Revenues and expenses are translated using the exchange rates on the transaction dates. Monetary assets and liabilities are remeasured at the balance sheet dates using the exchange rates on that date. Any exchange differences are charged to the statement of loss during the year.

Stock based compensation

Effective January 1, 2002, the Company adopted the new accounting standard of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3870 "Stock-Based Compensation and Other Stock-Based Payments" for accounting for stock-based compensation expense. Under this standard, stock-based payments to non-employees, and employee awards that are direct awards of stock, call for settlement in cash or other assets, or stock appreciation rights that call for settlement by the issuance of equity instruments, granted on or after January 1, 2002, are accounted for using the fair value based method, and are recorded as an expense in the period the stock-based payments are vested or the awards or rights are granted.

3. INVESTMENT IN AURIFERA

In October 1998, the Company entered into a joint venture agreement with Pan American Silver Corp. ("Pan American"), to pool their interests in certain mineral properties in Peru. The Company contributed its interest in the Tres Cruces property which consisted of an option to purchase the Geomin 701 and Tres Cruces 1 concessions. Pan American contributed its interest in the Negro 1, 2 and 3 concessions. After each company had earned its interest in the other's property, Aurifera was formed to hold and develop the properties.

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 as follows:

(a) issuing 1,500,000 common shares (500,000 shares were issued upon execution of the agreement valued at $0.10 per share (Note 8), 500,000 share are due on or before November 22, 2003 and 500,000 shares are due on or before November 22, 2004);

(b) issuing such number of additional shares as are equal to 20% of the issued capital of the Company at the date of exercise of the option (after deducting the initial 1,500,000 shares);

(c) cause $1,750,000 in cumulative exploration work to be completed ($250,000 on or before November 22, 2003, an additional $500,000 on or before November 22, 2004 and the balance of $1,000,000 on or before November 22, 2005); and

(d) reimbursing to Pan American, on or before May 22, 2003, one-half of expenditures incurred by Pan American in the years 2000 and 2001 in connection with the Tres Cruces property, estimated to be $12,600.

On completion of the share issuances and cumulative expenditures above, the Company has the right to exercise the option and acquire the 50% interest held by Pan American in Aurifera, subject to the obligation of the Company to pay Pan American a 2% net smelter return royalty on all production from the mineral claims now forming a part of the Tres Cruces project. Commencing November 22, 2006, minimum advance royalties of $100,000 shall be paid annually. Under the agreement, the Company has the right to buy back 25% of the afore-mentioned 2% net smelter return royalty by making a payment to Pan American of $500,000 cash.

Pan American shall also be entitled to receive 30% of the value of any consideration in excess of $1,000,000 received by the Company prior to a production decision being made. In addition, if the Tres Cruces property is placed into commercial production, the Company shall make an advance royalty payment to Pan American of $1,000,000 and Pan American shall be vested with a 30% interest in the interest then held by the Company in Aurifera, or in any other entity in which the Company holds its interest in the Tres Cruces property. Subsequent to the end of the quarter, the above agreement was replaced by another agreement (Note 10).

On May 31, 2002 the Company entered into a letter agreement with Barrick Gold Corp. for the sale of up to a 70% interest in Aurifera in exchange for cash payments and exploration expenditures in the project. A formal agreement was completed on September 16, 2003 and the Company received a $400,000 payment from Barrick. This agreement in addition to the cash payments and exploration expenditures provides for project financing of the company's 30% interest.

4. INVESTMENT AND ADVANCES RECEIVABLE

On June 21, 2000 the Company sold an 80% interest in its wholly owned subsidiaries Nuevo Condor Inc. and Nueva Condor S.A., which owned the Nueva Condor mine and property in Peru, in consideration of $1 and advances receivable of $4,300,000. The receivable will be converted into an equity interest in Nueva Condor if that company is successfully re-capitalized by its new owners. The Company also has the right to participate in up to 30% of any future equity financings of Nueva Condor up to an aggregate limit of $6 million. The Company’s 20% interest in Nuevo Condor, recorded at a nominal value of $1, may be diluted in the event of a future equity public financing in that company.

During 2001, management assessed the recoverability of the advances receivable from Nueva Condor of $4,300,000 and the collectibility of certain advances receivable from Nueva Condor in the amount of $308,566, which are owed to Oromin S.A. Due to the uncertainty of recoverability, the amounts were written down to $1 as at December 31, 2001. As at June 30, 2003 the Nueva Condor mine has not been refinanced. Management has reassessed its interest in Nueva Condor and will continue to maintain these assets at a nominal value.

5. MINERAL PROPERTIES

The Company owns a 100% interest in three separate mineral properties located in various regions of Peru. The Angelica and Trucha Dorada properties are located in Libertad province, 5 km and 25 km from the Company's Tres Cruces project, respectively (Note 3). These two properties are grassroots epithermal gold projects. The El Espigon property is a copper gold prospect located near Huancavalica, Peru.

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

Expenditures on the Company's mineral properties, consisting of property acquisition and holding costs, are as follows:

	Angelica	Trucha Dorado	El Espigon	Ontario Leases	Total
Balance, December 31, 2002	$ 494,170	$ 494,170	$ 494,169	$ 1	$ 1,482,510
Balance, June 30, 2003	$ 494,170	$ 494,170	$ 494,169	$ 1	$ 1,482,510

6. BANK LOAN

Loan from Banco Financiero, bearing interest at 14% per annum, balance at December 31, 2002	$	272,006
Interest accrued to March 31, 2003		9,520
Cash settlement amount, June 24, 2003		(105,000)
Write-off balance owing, as per settlement agreement		(176,526)
Balance at September 30, 2003	$	0

7. CAPITAL STOCK

	Number of Shares	Amount
Authorized		
100,000,000 common shares without par value		
Issued and outstanding		
Balance, December 31, 2002	10,051,571	$ 23,437,683
Issued during the period		
Conversion of special warrants	1,200,000	-
For cash		
Exercise of warrants	10,760	6,994
Exercise of options (Note 7(e))	168,750	25,312
Exercise of options		
Transfer of fair value (Note 7(e))	-	12,949
Balance, September 30, 2003	11,431,081	$ 23,482,938

(b) Special Warrants

The Company completed a private placement on May 31, 2002, for the issue of 1,200,000 non-transferable special warrants at a price of $0.10 per special warrant.

Each special warrant was converted into one common share at no additional cost on May 31, 2003.

(d) Warrants

At September 30, 2003 the Company had 3,139,240 warrants outstanding to purchase 3,139,240 common shares at a price of $0.65 per share until October 25, 2003 and at a price of $0.80 per share until their expiry date on October 25, 2004.

(e) 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. The options granted during fiscal 2002 were not granted under the Company's stock options plan but were granted pursuant to the policies of the TSX Venture Exchange. The options vest in varying stages to April 25, 2004.

A summary of the status of the Company's stock options at September 30, 2003 and changes during the year to date is as follows:

	Number of Shares	Weighted Average Exercise Price
Outstanding at December 31, 2002	1,025,000	$0.15
Exercised during the period	168,750	$0.15
Outstanding at September 30, 2003	856,250	$0.15
Options exercisable at September 30, 2003	431,250	$0.15

The options to acquire 856,250 shares expire on October 25, 2007.

Pursuant to the CICA standard of accounting for stock-based compensation (Note 2), the fair value of stock options granted, and which had vested, in 2003, in the amount of $5,371, has been recorded as an expense in the period. Charges for future vestings, subject to actual vestings and cancellations, are estimated to be $32,612 for the rest of 2003 and $16,306 in 2004. The fair value of options vested during the period, in the amount of $12,949, has been transferred to share capital.

The fair value of stock options used to calculate compensation expense is estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Risk-free interest rate	3.9%
Expected dividend yield	-
Expected stock price volatility	162%

Expected option life in years	2.5

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

8. RELATED PARTY TRANSACTIONS

In the period ended September 30, 2003 the following services were provided to the Company by companies with common directors or officers or by the directors or officers themselves:

Consulting	$	54,000
Legal		14,180
General and administration		18,000
	$	86,180

9. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development. Of the Company's assets, an amount of assets totaling $1,645,112 is located in Peru and $1,539,206 is located in Canada.

10. SUBSEQUENT EVENTS

On October 31, 2003 the Company reached an agreement with Pan American Silver Corp. to accelerate its acquisition of Pan American's 50% interest in the Tres Cruces gold project. Upon closing, the Company will own a 100% interest in the Tres Cruces gold project.

Under its previous option agreement (Note 3) the Company was required to issue 20% of its outstanding share capital at the time of election, and make ongoing annual cash payments in order to trigger its option. Under the terms of this agreement the previous terms will be cancelled and the Company will instead issue 3,500,000 shares for Pan American's 50% interest in the project, and will reserve unto Pan American a 1½% NSR royalty. There will be a two year hold period on 1,000,000 of the shares issued.

Closing is planned for early 2004 following and subject to regulatory and shareholder approval.

Also in October 2003, an aggregate of 450,000 warrants and 25,000 options were exercised for cash proceeds to the Company of $292,500 and $3,750, respectively.

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QUARTERLY AND YEAR END REPORT
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INCORPORATED AS PART OF:

____ Schedule A

X Schedules B and C

(Place X in appropriate category.)

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NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
New Oroperu Resources Inc.	September 30, 2003	03/11/26

ISSUER'S ADDRESS

15521 Marine Drive, Suite 203

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White Rock,	British Columbia	V4B 1C9	604-538-6558	604-535-4451

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
Aris Morfopoulos	Chief Financial Officer	604-721-2650

CONTACT EMAIL ADDRESS	WEB SITE ADDRESS
"aris@oroperu.com"	"www.oroperu.com"

CERTIFICATE

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DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"K. Wayne Livingstone"	K. Wayne Livingstone	03/11/26

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Maynard E.Brown"	Maynard E. Brown	03/11/26

NEW OROPERU RESOURCES INC.
Schedule B – Supplementary information
For the third quarter ended September 30, 2003

ANALYSIS OF EXPENSES AND DEFERRED COSTS

Breakdown of Consulting Fees:

Media relations	$	31,500
Geological technical		54,000
	$	85,500

Breakdown of General and Administration Expenses:

Legal	$	31,660
Foreign subsidiary corporate expense		27,000
Accounting and administration		18,000
Shareholder communications		15,359
Transfer agent		9,754
Printing and reproduction		5,201
Listing and filing fees		3,065
Rent		3,790
Office and miscellaneous		3,202
Professional fees (accounting)		1,204
	$	118,235

RELATED PARTY TRANSACTIONS

As detailed in notes to September 30, 2003 interim unaudited financial statements (Schedule A attachment)

SECURITIES ISSUED DURING THE YEAR

As detailed in notes to September 30, 2003 interim unaudited financial statements (Schedule A attachment)

OPTIONS GRANTED DURING THE YEAR

NIL

AUTHORIZED AND ISSUED SHARE CAPITAL AS AT SEPTEMBER 30, 2003

			Issued	
Class	Par Value	***Authorized***	Number	Amount
Common	N.P.V.	100,000,000	11,431,081	$23,482,938

OPTIONS AND WARRANTS OUTSTANDING AT THE END OF THE QUARTER

As detailed in notes to September 30, 2003 interim unaudited financial statements (Schedule A attachment)

SHARES IN ESCROW OR SUBJECT TO POOLING RESTRICTIONS

NIL

LIST OF DIRECTORS AND OFFICERS ON REPORT DATE

Name	Title
K. Wayne Livingstone White Rock, B.C.	Director and President
Maynard E. Brown West Vancouver, B.C.	Director
James F. Carr-Hilton Vancouver, B.C.	Director
Carlos Loret de Mola Lima, Peru	Director
Aris Morfopoulos North Vancouver, B.C.	Chief Financial Officer
Pamela White Vancouver, B.C.	Secretary

Schedule C – Management Discussion
For the third quarter ended September 30, 2003

The Company is in the business of exploration and development of mineral properties in Peru. The Company's principal asset is a 50% interest in Aurifera Tres Cruces S.A. a Peru company that owns the Tres Cruces mineral project in north central Peru. Subsequent to the end of the quarter, the Company negotiated an agreement to accelerate the purchase the other 50% of the Tres Cruces project by replacing its previous agreement with an agreement to instead issue 3,500,000 common shares of the Company and grant a 1 1/2% NSR. The agreement is projected to close in early 2004 subject to regulatory and shareholder approval.

The Company did not conduct any exploration activities during the period, however Barrick Gold Corp. ("Barrick") completed an initial phase program on the Company's 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. This brings the total drilling on the project to 38,662 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 (see map following). This leaves the south west 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. The Company continues to believe that potential to find additional reserves exists to the south west of the known deposits towards Cerro Colorado and expects that this will be tested in the next phase of Barrick's work. Both companies' surface work indicate a northeast/southwest control on mineralization, thus reconfirming the potential towards Cerro Colorado.
In September 2003 the Company formally completed a previously announced agreement with Barrick Gold Corporation to enable Barrick to earn up to a 70% interest in Tres Cruces. (For further particulars, reference is made to the Company's SEDAR filings). The Tres Cruces asset is represented on the Company's balance sheet at net cost as a $162,600 "Investment in Aurifera".

The Company also owns three grassroots mineral properties in Peru. At September 30, 2003 it continued to carry its investment in these properties for an aggregate of $1,482,510. The Company also owns three mineral leases in Ontario, Canada, which in fiscal 2002 were written down to a nominal value of $1.

The Company's consolidated net loss for the period was $84,901, (2002-$168,180), after an extraordinary item of $45,125 gain on foreign exchange, and from the accounts of its Peru subsidiary of $178,758 gain on settlement of bank loan, $5,530 gain for expense recoveries and $(1,626) loss for write-off of miscellaneous accounts receivable.

Operating expenses of the Company increased to $323,354 for the period (2002-$168,758), primarily due to increased costs related to now being a publicly listed company.

During the period the Company received $400,000 from Barrick and $32,307 from the exercise of stock options and warrants. The Company's working capital at September 30, 2003 was $1,470,084 (2002-$-516,515). The Company has sufficient working capital to meet its ongoing obligations as they come due.

The Company recorded $86,180 in related party transactions in the period, for technical, legal and accounting and general administration services provided to the Company by companies with common directors or officers.