NEVORO INC.
(AN EXPLORATION STAGE COMPANY)
INTERIM UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2008
(EXPRESSED IN U.S. DOLLARS)

NEVORO INC.
(AN EXPLORATION STAGE COMPANY)
INTERIM UNAUDITED CONSOLIDATED BALANCE SHEET
(EXPRESSED IN US$)

	March 31, 2008	December 31, 2007 (Audited)
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	$ 4,532,308	$ 5,688,376
Amounts receivable, prepaids and other (Note 8(d))	118,685	132,533
	4,650,993	5,820,909
MINERAL INTERESTS (Note 5)	11,756,327	12,129,939
EQUIPMENT (Note 4)	75,845	73,805
	$ 16,483,165	$ 18,024,653
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 8)	$ 581,545	$ 369,107
FUTURE INCOME TAX LIABILITY (Note 7)	2,746,300	3,321,800
	3,327,845	3,690,907
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 6(b))	15,153,984	15,148,029
BROKER WARRANTS (Note 6(c))	280,180	282,385
ACCUMULATED OTHER COMPREHENSIVE INCOME	18,985	18,985
STOCK OPTIONS (Note 6(d))	3,620,971	3,331,396
DEFICIT	(5,918,800)	(4,447,049)
	13,155,320	14,333,746
	$ 16,483,165	$ 18,024,653

NATURE OF OPERATIONS (Note 1)

COMMITMENTS AND CONTINGENCIES (Note 5, Note 10 and Note 12)

APPROVED ON BEHALF OF THE BOARD:

Signed, "William Schara"

Director

Signed, *"Philip Martin"*

Director

See accompanying notes to the interim unaudited consolidated financial statements

NEVORO INC.
(AN EXPLORATION STAGE COMPANY)
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
(EXPRESSED IN US$)

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2007
EXPENSES		
Salaries and benefits	$ 221,921	$ -
Stock-based compensation (Note 6(d))	182,325	-
Travel	85,889	11,752
Management, consulting and directors fees	57,398	5,690
Office and general	35,708	40,107
Occupancy costs	34,586	-
Investor relations	16,450	1,195
Insurance	9,851	1,736
Filing, listing and transfer agent fees	8,786	5,488
Amortization	5,597	297
Legal, audit and other professional fees	-	19,388
Foreign exchange loss	38,603	105,036
Loss before the undernoted	697,114	190,689
Interest income	(29,360)	(650)
General exploration and write-down of mineral interests	1,379,497	126,673
Loss before income taxes	2,047,251	316,712
Income tax (recovery) (Note 7)	(575,500)	(126,433)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	$ 1,471,751	$ 190,279
DEFICIT, BEGINNING OF PERIOD	$ 4,447,049	$ 592,861
NET LOSS FOR THE PERIOD	1,471,751	190,279
DEFICIT, END OF PERIOD	$ 5,918,800	$ 783,140
NET LOSS PER SHARE basic and diluted	$ 0.02	$ 0.01
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	75,152,871	31,513,694

See accompanying notes to the interim unaudited consolidated financial statements

NEVORO INC.
(AN EXPLORATION STAGE COMPANY)
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN US$)

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2007
CASH FLOWS USED OPERATING ACTIVITIES		
Net (loss) for the period	$ (1,471,751)	$ (190,279)
Add:		
Amortization	5,597	297
Future income tax (recovery)	(575,500)	(126,433)
Stock-based compensation	182,325	-
Stock-based compensation in general exploration	3,795	
Changes in non-cash working capital items:		
Amounts receivable, prepaids and other	(25,597)	(19,496)
Accounts payable and accrued liabilities	172,983	(31,643)
	(1,708,148)	(367,554)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Mineral interests	555,967	(333,584)
Equipment	(7,637)	(5,950)
Cash acquired on business combination net of costs	-	44,443
	548,330	(295,091)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares, net of costs	3,750	4,766,477
Advances from shareholder	-	(17,162)
	3,750	4,749,315
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,156,068)	4,086,670
CASH AND CASH EQUIVALENTS BEGINNING OF PERIOD	5,688,376	-
CASH AND CASH EQUIVALENTS END OF PERIOD	$ 4,532,308	$ 4,086,670
SUPPLEMENTAL INFORMATION		
Interest paid	$ -	$ -
Income taxes paid	-	-
Common shares issued for business combination	-	6,100,000
Change in accrued share issue and transaction costs	-	100,000
Change in accrued exploration expenditures	39,445	49,616
Warrants issued for services rendered	-	251,750
Stock based compensation charged to mineral interests (Note 6(d))	103,455	-

See accompanying notes to the interim unaudited consolidated financial statements

1. NATURE OF OPERATIONS

Nevoro Inc. (the “Company” or "Nevoro") incorporated under the laws of the Province of Ontario, was inactive since 1991 and was searching for new business opportunities. During the year ended December 31, 2007, the Company entered into an agreement with the shareholders of Goodsprings Development Corporation (“Goodsprings”) to acquire 100% of the issued and outstanding shares of Goodsprings, a private mineral exploration corporation incorporated in the State of Nevada, USA. Goodsprings has an interest in a portfolio of precious metal exploration projects located in Nevada, USA (see Note 5). The Company is a development stage entity as defined by the Canadian Institute of Chartered Accountants (the "CICA") Accounting Guideline 11 and currently has interests in resource properties in the United States of America.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and 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 and non compliance with regulatory requirements.

Management of the Company believes that it has sufficient funds to pay its ongoing administrative expenses and to meet its liabilities for the ensuing year as they fall due, to fund cash payments as discussed in Note 5, Note 10 and Note 12, and to fund current planned exploration programs.

The accompanying unaudited interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles (“GAAP”). They do not include all the information and disclosures required by Canadian GAAP for annual financial statements. The preparation of these interim consolidated financial statements is based on accounting principles and practices consistent with those used in the consolidated annual financial statements, except as disclosed in Note 2. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the three month period ended March 31, 2008 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2008. For further information, see the audited consolidated financial statements including the notes thereto for the year ended December 31, 2007.

(EXPRESSED IN US$)

2. RECENT ACCOUNTING PRONOUNCEMENTS

New Accounting Policies

(a) Capital Disclosures and Financial Instruments - Disclosures and Presentation

On December 1, 2006, the CICA issued three new accounting standards: Handbook Section 1535, Capital Disclosures, Handbook Section 3862, Financial Instruments – Disclosures, and Handbook Section 3863, Financial Instruments – Presentation. These new standards are effective for interim and annual financial statements for the Company's reporting period beginning on January 1, 2008.

Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

The new Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments - Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

b) General standards of financial statement presentation

In June 2007, the CICA amended Handbook Section 1400, General standards for financial statement presentation. These standards become effective for interim and annual financial statements for the Company's reporting periods beginning on January 1, 2008.

Future Accounting Policies

(c) International financial reporting standards ("IFRS")

In January 2006, the CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

The Company is currently assessing the impact of these new accounting standards on its consolidated financial statements.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	March 31, 2008	December 31, 2007
Cash	$ 163,608	$ 147,757
US$ T-Bills with an average interest rate of 1.7%	4,332,678	5,495,835
Money market fund	36,022	44,784
	$ 4,532,308	$ 5,688,376

(EXPRESSED IN US$)

4. EQUIPMENT

	Cost	Accumulated Amortization	Net Book Value March 31, 2008	Net Book Value December 31, 2007
Machinery and equipment	$ 642	$ (93)	$ 549	$ 578
Furniture and fixtures	36,765	(4,815)	31,950	29,382
Computer equipment	51,148	(10,518)	40,630	40,783
Software	6,668	(3,952)	2,716	3,062
	$ 95,223	$ (19,378)	$ 75,845	$ 73,805

(EXPRESSED IN US$)

5. MINERAL INTERESTS

For the period ended March 31, 2008, the Company incurred acquisition costs and exploration expenditures on its mineral properties as follows:

	St. Elmo Project	Silver King Project	Cross Project	Eagleville Project	Dome Hill Project	Jenny Hill Project	Boulderfield Project	Monarch Project	Long Canyon Project	Other Projects	Total
Balance, December 31, 2007	$ 6,311,220	$ 1,578,087	$ 1,042,804	$ 995,789	$ 992,616	$ 81,943	$ 41,269	$ 79,471	$ 59,124	$ 947,616	$ 12,129,939
Additions during the year											
Acquisition costs	5,000	9,919	-	-	580	-	-	-	-	38,648	54,147
Exploration costs											
Consulting	3,600	1,442	8,852	10,866	5,439	-	-	1,013	-	91,989	123,201
Geological	9,768	5,475	11,198	4,121	-	-	-	-	-	-	30,562
Drilling	-	97,526	81,597	-	-	-	104,717	-	-	-	283,840
Legal	3,971	-	-	-	-	-	-	-	-	319,238	323,209
Exploration support	156	866	277	1,388	126	-	-	-	-	10,837	13,650
Travel	-	1,414	4,910	862	1,506	-	-	-	-	18,671	27,363
Field supplies	-	-	-	-	-	-	-	-	-	598	598
Salaries and benefits	9,925	17,864	24,187	7,555	1,656	-	27,264	2,504	-	36,901	127,856
Geophysical	-	-	-	-	2,800	-	-	-	-	-	2,800
Permitting	4,136	-	-	-	20	-	5,159	-	-	-	9,315
Recoveries	-	-	-	-	-	-	-	-	-	(15,000)	(15,000)
Exploration costs	31,556	124,587	131,021	24,792	11,547	-	137,140	3,517	-	463,234	927,394
Exploration and acquisition costs	36,556	134,506	131,021	24,792	12,127	-	137,140	3,517	-	501,882	981,541
Write-down	-	-	(1,173,825)	-	-	-	(178,409)	-	-	(2,919)	(1,355,153)
Balance, March 31, 2008	$ 6,347,776	$ 1,712,593	$ -	$ 1,020,581	$ 1,004,743	$ 81,943	$ -	$ 82,988	$ 59,124	$ 1,446,579	$ 11,756,327

5. MINERAL INTERESTS (continued)

(a) St. Elmo Project

The St. Elmo Project consists of the Happy Tracks Property and the Diamond Jim Property.

On April 15, 2006, Goodsprings entered into a mining lease and option to purchase agreement with four arm’s length individuals (collectively, the “Owners”), whereby Goodsprings was granted a five-year lease with an option to purchase unpatented lode mining claims and water rights comprising the Happy Tracks Property, located in the State of Nevada, USA.

Goodsprings was granted the exclusive right to explore the Happy Tracks Property during the term of the lease for the following consideration:

- $25,000 due upon signing (paid)
- $30,000 due April 13, 2007 (paid)
- $35,000 due April 13, 2008 (paid subsequent to period end)
- $40,000 due April 13, 2009
- $45,000 due April 13, 2010

Goodsprings has the option to purchase the entire interest in the Happy Tracks Property for the sum of $1,075,000. This option is exercisable at any time during the agreement. If, during the term of the Agreement, Goodsprings decides to purchase the Happy Tracks Property prior to the fifth anniversary of the signing of the Agreement, the purchase price may be reduced by $100,000 for each full year left in the agreement.

Goodsprings shall pay the Owners a production royalty equal to 2.5% of any and all net smelter returns from the production or sale of minerals from the Happy Tracks Property. A 2.5% net smelter returns royalty will be payable on all previously mined materials originating from the Happy Tracks Property, shipped or milled by Goodsprings. The 2.5% net smelter return ("NSR") royalty would cease upon acquisition of the property by Goodsprings.

On December 1, 2006, Goodsprings entered into a mining lease and option to purchase agreement with an arm’s length individual (the “Owner”), whereby it was granted a five-year lease with an option to purchase the Diamond Jim Project unpatented lode mining claims, located in the State of Nevada, USA.

Goodsprings was granted the exclusive right to explore the Diamond Jim Project during the term of the lease for the following consideration:

- $30,000 due upon signing (paid)
- $30,000 due on the first anniversary of the effective date and each subsequent anniversary of the effective date during the term of the agreement. ($30,000 paid)

Goodsprings has the option to purchase the entire interest in the Diamond Jim Project for the sum of $400,000.

The Company shall pay the Owner a production royalty equal to 3% of the net smelter returns from the production or sale of minerals from the property, of which the Company can purchase one third of the royalty (representing 1%) for $1,000,000.

On January 11, 2008, the Company entered into a Purchase Agreement with an arm's length corporation, for certain claims located adjacent to the St. Elmo Project. The basic terms call for a $5,000 payment on signing (paid) and net smelter return (“NSR”) royalty of 3.0% payable to Victory Exploration Inc., the original owner. Nevoro can purchase the St. Elmo Mardis NSR royalty from Victory Exploration Inc. in increments of 1% for $500,000 per 1%.

5. MINERAL INTERESTS (continued)

(b) Silver King, Cross and Eagleville Projects

During the year ended December 31, 2006, Goodsprings entered into three separate mining lease and option to purchase agreements with lease terms of ten years expiring on various dates to August 31, 2016.

Pursuant to these agreements, the Company is responsible for the following rental payments:

- $12,000 during the year ended December 31, 2006 (paid)
- $44,000 during the year ended December 31, 2007 (paid)
- $51,000 during the year ended December 31, 2008 ($10,000 paid)
- $68,000 during the year ended December 31, 2009
- $73,000 during the year ended December 31, 2010
- $98,000 during the years ended December 31, 2011 through 2016

On the first and all subsequent anniversaries of the exercise of the purchase option, the Company shall make minimum advance royalty payments of $50,000 until sustained commercial production begins. Minimum advance royalty payments will be creditable against the Company's royalty payment obligations.

The Company can exercise the purchase option for any of the properties by making a payment of $300,000 per property, subject to a 3% net smelter return royalty and has the option to purchase one third of the royalties in each agreement for $1,000,000 each.

On the Eagleville project, the Company must fulfill the following work committments.

- $5,000 during the first lease year
- $25,000 during the second lease year
- $50,000 during the third lease year
- $100,000 during the fourth and all subsequent lease years.

All work committments incurred in excess of the work expenditure requirement will be credited toward the work committment for the subsequent lease year. Any work committment not fulfilled will be subject to a payment of seventy-five percent of the difference between the actual expenditure and the minimum work expenditure.

During the quarter, the Company determined that the Cross Project was no longer viable and the project was then written down.

(c) Dome Hill

The Company is required to make the following rental payments on the Dome Hill Project:

- $10,000 during the year ended December 31, 2007 (paid)
- $10,000 during the year ended December 31, 2008
- $15,000 during the year ended December 31, 2009
- $20,000 on the subsequent anniversaries of the effective date of the agreement, up to 2027.

The Company has the option to purchase the claims for $125,000 and the owner retains a 3% NSR royalty. Nevoro may purchase 1/3 of the royalty for $1,000,000.

Nevoro holds rights to additional claims in the Dome Hill project and has the option to purchase for $75,000.

5. MINERAL INTERESTS (continued)

(d) Jenny Hill

During the year ended December 31, 2007, the Company entered into a mining lease and option to purchase agreement with an arm's length party, with respect to the Jenny Hill Property, situated in Nevada’s Walker Lane structural belt. The basic lease terms call for a payment of $11,700 (paid) on signing with payments of $15,000, $25,000, $35,000 and $50,000 due on subsequent anniversaries. The Company is required to purchase the claims for $500,000 before mining activity begins. Up to $300,000 of previously made payments will be credited towards the $500,000 purchase price. A 3% NSR royalty to the original owner survives the purchase of the claims, and one third of this royalty can be purchased for $1,000,000.

(e) Monarch and Boulderfield

Effective October 2, 2007, the Company entered into a Lease with Option to Purchase Agreement with arm's length parties for the Monarch Project situated in Nevada's Walker Lane structural belt. The basic lease terms call for a $4,000 payment on signing, (paid), a $25,000 payment on the first anniversary and a $100,000 payment on the second anniversary. Minimum advance royalty payments of $30,000, $50,000 and $75,000 are due on subsequent anniversaries. A sliding scale NSR from 2.5% to 5% based on the price of copper, and a 3% NSR on other metals, is payable to the original owner and survives the purchase of the claims. Nevoro can purchase a 1% NSR royalty for $1,000,000. Nevoro is required to conduct a gravity survey on the property during the first year.

The Company has the option to purchase the project for $129,000 consisting of the minimum payments paid on execution of the agreement and on the first and second anniversaries of the effective date.

Effective October 2, 2007, the Company entered into a Lease with Option to Purchase Agreement with an arm's length party for the Boulderfield Project also situated in Nevada's Walker Lane structural belt. The basic lease terms call for $10,000 on signing (paid subsequent to the year end), a $50,000 payment on the first anniversary, and a $100,000 payment on the second anniversary. Minimum advance royalty payments of $40,000, $50,000 and $100,000 are due on subsequent anniversaries. A sliding scale NSR royalty, from 3% to 6% based on the price of gold, payable to the original owner survives the purchase of the claims. Nevoro can purchase a 1% NSR royalty for $1,000,000.

The Company has the option to purchase the project for $160,000 consisting of the minimum payments paid on execution of the agreement and on the first and second anniversaries of the effective date.

During the quarter the Company determined that the Boulderfield Project was not viable and the project was written down.

(f) Long Canyon

On November 27, 2007 the Company announced that it had staked lode claims in the Long Canyon area of Central Idaho.

(g) Other Projects

The Company has the following additional projects in Nevada, all of which are wholly owned or optioned:

Warm Springs, Stealth, Cedar and Germany Canyon.

Warm Springs and Stealth

The Company has leased out the Warm Springs and Stealth Projects to arm's length third parties for cash payments and royalties of $15,000 for the period ended March 31, 2008, ($30,000 - for the year ended December 31, 2007).

(EXPRESSED IN US$)

6. CAPITAL STOCK

(a) Authorized

Unlimited number of common shares

(b) Issued

75,163,585 common shares

	Number of Shares		Amount
Balance, December 31, 2007	75,148,585	$	15,148,029
Exercise of warrants - cash	15,000		3,750
Exercise of warrants - Black-Scholes Value	-		2,205
Balance, March 31, 2008	75,163,585	$	15,153,984

(c) Broker warrants

	Number of Broker Warrants		Weighted Average Exercise Price
Balance, December 31, 2007	2,104,262	$	0.25
Exercised	(15,000)		0.25
Balance, March 31, 2008	2,089,262	$	0.25

As at March 31, 2008, the following broker warrants were issued and outstanding:

Expiry Date		Fair Value	Number of Broker Warrants		Exercise Price
October 7, 2008	$	107,635	904,500	$	0.25
December 29, 2008		5,446	45,762	$	0.25
February 5, 2009		164,894	1,124,000	$	0.25
March 7, 2009		2,205	15,000	$	0.25
	$	280,180	2,089,262		

(EXPRESSED IN US$)

6. CAPITAL STOCK (continued)

(d) Stock Options

(i) On March 5, 2008, the Company granted stock options to acquire 675,000 common shares at CDN$0.60 per share on or before March 5, 2013, to consultants and employees of the Company. The options vest immediately.

The fair value of each option granted was estimated at the date of grant using the Black-Scholes option model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk-free interest rate of 3.90%; and an expected life of 5 years. The options were assigned a fair value of $289,575 of which $103,455 has been allocated to mineral interests on a pro-rata basis.

	Number of Stock Options	Weighted Average Exercise Price (CDN$)
Balance, December 31, 2007	9,665,000	$ 0.45
Granted (Note 6(d)(i))	675,000	0.60
Balance, March 31, 2008	10,340,000	$ 0.46

As at March 31, 2008, the following options were issued and outstanding:

Expiry Date	Fair Value	Stock Options Granted	Stock Options Exercisable	Exercise Price (CDN$)
September 24, 2012	$ 3,194,281	9,300,000	9,300,000	$ 0.45
October 31, 2012	22,815	65,000	65,000	0.46
November 6, 2012	114,300	300,000	300,000	0.50
March 5, 2013	289,575	675,000	675,000	0.60
Balance, March 31, 2008	$ 3,620,971	10,340,000	10,340,000	$ 0.46

7. INCOME TAXES

Provision for income taxes

The reconciliation of the income tax provision computed at federal statutory rates of 34% (2007 - 36%) to the reported income tax provision is as follows:

	Three Months Ended March 31, 2008	2007
Income tax benefit computed at Canadian statutory rates	$ (708,800)	$ (114,288)
Stock-based compensation	65,600	-
Change in expected tax rates and other	99,800	(26,916)
Share issue costs	-	(68,966)
Change in valuation allowance	(32,100)	83,737
Future income tax (recovery)	$ (575,500)	$ (126,433)

(EXPRESSED IN US$)

7. INCOME TAXES (Continued)

Future tax balances

The significant components of the Company's future income tax assets and liabilities are as follows:

	March 31, 2008	December 31, 2007
Future tax assets (liabilities)		
Non-capital losses	$ 503,100	$ 523,400
Resource property expenditures	(2,808,900)	(3,374,600)
Share issue costs	120,100	123,700
Other	6,600	5,000
	(2,179,100)	(2,722,500)
Valuation allowance	(567,200)	(599,300)
Future income tax liability	$ (2,746,300)	$ (3,321,800)

The Company has non-capital losses of approximately $1,646,500 which may be utilized to reduce future taxable income in Canada (CDN$1,497,810 in Canada) and the United States. The non-capital losses, will expire as follows:

	US	Canada
2008	$ -	$ 5,100
2009	-	2,600
2010	-	1,900
2014	-	4,400
2015	-	40,000
2019	2,300	-
2020	20,000	-
2021	72,500	-
2022	64,800	-
2026	-	55,100
2027	-	878,500
2028	29,600	469,700
	$ 189,200	$ 1,457,300

The valuation allowance is adjusted in the period it is determined to be more likely than not that some portion or all of the future tax assets will be realized.

8. RELATED PARTY TRANSACTIONS

(a) Included in accounts payable and accrued liabilities as at March 31, 2008 is $119,815 (2007 - $80,751) owing to certain directors, officers and related persons of the Company.

(b) During the period ended March 31, 2008, the Company paid or accrued $27,427 (2007 - $66,274), in directors' fees.

(c) During the period ended March 31, 2008, the Company paid or accrued $17,835 (2007 - $68,439) in legal fees to a firm in which an officer of the Company is a partner.

(d) Included in amounts receivable as at March 31, 2008 is $746 (2007 - $37,721) due from a corporation which has a director in common with the Company for certain expenditures incurred by the Company on behalf of the corporation. Subsequent to the period end, these amounts were collected.

The above transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

(EXPRESSED IN US$)

9. SEGMENTED INFORMATION

The Company has one operating segment, which is the exploration and development of exploration properties. Geographic segmentation of the Company's assets are as follows: Canada - $4,676,300 (December 31, 2007 - $5,802,544) and US - $11,806,865 (December 31, 2007 - $12,222,109).

Substantially all of the Company's operating expenses are incurred in Canada. All exploration expenditures are incurred in the United States.

10. COMMITMENTS AND CONTINGENCIES

(a) The Company has leases for office space in: Reno, Nevada; Spokane, Washington; and Toronto, Ontario under three separate lease agreements which expire on February 28, 2009, December 31, 2010, and September 30, 2011 respectively.

Annual lease payments under the agreement are as follows for the years ending:

December 31, 2008	$	97,361
December 31, 2009		111,019
December 31, 2010		109,526
December 31, 2011		61,492
	$	379,398

(b) The Company is party to management contracts whereby additional payments of up to $854,367 may need to be made upon the occurence of certain events. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these consolidated financial statements.

11. FINANCIAL INSTRUMENTS

Fair value of financial instruments

Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate their fair values since these instruments have short term maturity dates.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three months ended March 31, 2008. Neither the Company nor its subsidiary is subject to externally imposed capital requirements.

Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's credit risk is primarily attributable to cash equivalents, amounts receivable and other assets. The Company has no significant concentration of credit risk arising from operations. Cash equivalents consist of T-Bills, money market funds and guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist of goods and services tax due from the Federal Government of Canada and receivables from unrelated companies and related parties. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity risk

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, 2008, the Company had a cash and cash equivalents balances of $4,532,308 (December 31, 2007 - $5,688,376) to settle current liabilities of $581,545 (December 31, 2007 - $369,107). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

11. FINANCIAL INSTRUMENTS (Continued)

Market risk

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions including T-Bills and money market funds. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk

The Company's functional currency is the U.S. dollar and major purchases are transacted in U.S. dollars. The Company funds certain operations, exploration and administrative expenses in the United States on a cash call basis using U.S. dollar currency from its bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk. As at March 31, 2008, the Company held cash in Canadian currency of CDN$54,609.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Sensitivity analysis

The Company has designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Financial instruments included in amounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As at March 31, 2008, the carrying and fair value amounts of the Company's financial instruments are approximately the same.

The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk.

Price risk is remote since the Company is not a producing entity.

12. SUBSEQUENT EVENTS

Acquisition of Aurora Metals (BVI) Ltd.

On April 17, 2008 the Company announced that it had entered into an arrangement agreement (the "Arrangement Agreement") with Aurora Metals (BVI) Ltd. ("Aurora") pursuant to which Nevoro will acquire 100% of the common shares of Aurora through a court-approved plan of arrangement (the "Arrangement"). Aurora currently has 19,981,476 common shares outstanding.

The acquisition will be completed by way of a court-approved plan of arrangement whereby each Aurora common share will be cancelled and the holders thereof will receive for each Aurora common share, one Nevoro common share.

The completion of the Arrangement is subject to a number of conditions precedent, and the approval of the Toronto Stock Exchange. The transaction is expected to close on or before June 10, 2008.

In addition to the Arrangement Agreement, Nevoro and Aurora have executed a grid note (the "Note") under which Aurora can receive advances of up to CDN$500,000, in the aggregate, from Nevoro ($100,000 of which has already been advanced). The advances will be secured by a mortgage of Aurora's interest in the Stillwater Project and are subject to an interest rate equal to the Prime Rate, as quoted by the Royal Bank of Canada, plus 2% per annum. The Note can be called on 90 days notice, but in any event, no later than January 1, 2009, by Nevoro and can be satisfied, at Nevoro's option, in part or in full by the issuance of common shares of Aurora, the value of each common share issued shall be the lesser of (i) CDN$0.03 and (ii) 75% of the previous 20-day volume weighed average trading price of the common shares of Aurora at such time.

Acquisition of Sheffield Resources Ltd.

On April 24, 2008 the Company announced that it had entered into an agreement to acquire all of the issued and outstanding shares of Sheffield Resources Ltd. ("Sheffield"). According to the agreement, each Sheffield common share will be cancelled and the holders thereof will receive for each share 0.80 of one Nevoro common share. Sheffield has 35,422,497 shares issued and outstanding.

Holders of common share purchase warrants of Sheffield, in accordance with the terms of such warrants, shall receive upon the subsequent exercise of such Sheffield Warrant, 0.80 of one Nevoro common share. Each holder of an outstanding Sheffield stock option, in accordance with the terms of the Sheffield stock option ("Sheffield Option") plan, shall receive an option to acquire that number of Nevoro common shares equal to the product of: (i) the number of Sheffield Shares subject to Sheffield Stock Options immediately before closing, and (ii) 0.80 of one Nevoro common share, the exercise price per Nevoro common share shall be an amount equal to the quotient of (A) the exercise price per Nevoro common share subject to such Sheffield Option immediately before closing divided by (B) 0.80.

In addition to the agreement, Nevoro and Sheffield have agreed to working capital funding to Sheffield by Nevoro by way of a secured grid promissory note (the "Grid Note") under which Sheffield can receive advances of up to CDN$400,000, in the aggregate, from Nevoro. The advances will be secured by a mortgage of Sheffield's interest in the Moonlight Copper Project in Plumas County, California and will be subject to an interest rate equal to the Prime Rate, as quoted by the Royal Bank of Canada, plus 2% per annum. The Grid Note can be called on 90 days notice, by Nevoro and can be satisfied, at Sheffield's option, by the issuance of common shares of based on a conversion rate equal to the lower of: (i) 75% of the average closing price of Sheffield's common shares as listed on the Toronto Stock Exchange – Venture Exchange (the "TSX-V") for 20 trading days immediately preceding the date of this Agreement; and (ii) 75% of the average closing price of Sheffield's common shares as listed on the TSX-V for the 20 trading days immediately preceding the effective date of conversion (being the 90th day after the date of demand), and subject to the acceptance of the TSX-V to these terms of conversion.

12. SUBSEQUENT EVENTS (Continued)

Private Placement

On April 28, 2008 the Company announced that Thomas Weisel Partners Canada Inc. was appointed lead agent for a syndicate of agents (collectively the "Agents") to sell by way of private placement on a "best efforts" basis, up to CDN$20,000,000 of escrow receipts. Each escrow receipt will be automatically exchanged, for no additional consideration, for one unit of the Company, immediately following the completion of the first of either the Aurora Metals (BVI) Limited transaction announced on April 17, 2008 (the "Aurora Transaction") or the Sheffield Resources Ltd. transaction announced on April 24, 2008 (the "Sheffield Transaction"). Notwithstanding the foregoing, if the Aurora Metals (BVI) Limited transaction or the Sheffield Resources Ltd. transaction is completed prior to the closing of the offering, the Company will issue units rather than escrow receipts and the terms hereof will be deemed to be amended accordingly. Each unit will be comprised of one common share and a one-half warrant at an offering price to be determined in the context of the market. The agents will have the option to sell up to an additional 15% of escrow receipts, which option shall be exercisable up to closing of the offering. The escrow receipts and the underlying securities will be subject to a four month hold period under applicable securities laws.

The net proceeds of the offering will be held in escrow pending the completion of the first of either the Aurora Transaction or the Sheffield Transaction. If the Aurora Transaction and the Sheffield Transaction are not completed by August 15, 2008, investors will have the option of receiving either the securities underlying their escrow receipts or a refund of their subscription amounts.

The Agents shall receive compensation comprised of cash of 6.5% of the gross proceeds of the financing and broker warrants equal to 6.5% of the aggregate escrow receipts sold.

The offering is scheduled to close on or about May 22, 2008 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange.