CUORO RESOURCES CORP.

(formerly Blue Cove Capital Corp.)

INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
FEBRUARY 28, 2011

(Unaudited - Prepared by Management)

MANAGEMENT'S COMMENTS ON UNAUDITED FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of CuOro Resources Corp. *(formerly Blue Cove Capital Corp.)* for the three months ended February 28, 2011 have been prepared by and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

CUORO RESOURCES CORP.

(formerly Blue Cove Capital Corp.)

INTERIM BALANCE SHEETS

(Unaudited - Prepared by Management)

	February 28, 2011 $	November 30 2010 $
A S S E T S		
CURRENT ASSETS		
Cash	283,402	801,923
Amounts receivable	97,101	29,769
Prepaids	2,602	3,019
	383,105	834,711
PROPOSED ACQUISITIONS (Note 3)	57,515	-
	440,620	834,711
L I A B I L I T I E S		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	152,323	270,483
S H A R E H O L D E R S' E Q U I T Y (D E F I C I T)		
SHARE CAPITAL (Note 4)	971,271	971,271
CONTRIBUTED SURPLUS (Note 6)	574,429	574,429
DEFICIT	(1,257,403)	(981,472)
	288,297	564,228
	440,620	834,711

NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN (Note 1)

SUBSEQUENT EVENTS (Note 10)

APPROVED BY THE DIRECTORS

"Nick DeMare" , Director

"Robert Sedgemore" , Director

The accompanying notes are an integral part of these interim financial statements.

CuOro Resources Corp.

(formerly Blue Cove Capital Corp.)

INTERIM STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT

(Unaudited - Prepared by Management)

	Three Months Ended February 28	
	2011	2010
	$	$
EXPENSES		
Accounting and administration	8,000	-
Audit fees	12,750	11,700
Due diligence	62,922	-
General and office expenses	5,281	5,906
Listing fees	4,467	-
Legal fees	110,875	15,769
Qualifying transaction expenses (Note 1)	-	58,150
Shareholder communications	421	875
Stock-based compensation (Note 5)	-	3,752
Travel	65,726	-
Website and internet costs	5,489	-
	275,931	96,152
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(275,931)	(96,152)
DEFICIT - BEGINNING OF PERIOD	(981,472)	(306,614)
DEFICIT - END OF PERIOD	(1,257,403)	(402,766)
LOSS PER COMMON SHARE - BASIC AND DILUTED	$(0.02)	$(0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC AND DILUTED	11,803,159	4,200,000

The accompanying notes are an integral part of these interim financial statements.

CUORO RESOURCES CORP.

(formerly Blue Cove Capital Corp.)

INTERIM STATEMENTS OF CASH FLOWS

(Unaudited - Prepared by Management)

	Three Months Ended February 28,	
	2011 $	**2010** $
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Loss for the period	(275,931)	(96,152)
Adjustment for item not involving cash		
Stock-based compensation	-	3,752
Increase in amounts receivable	(67,332)	-
Decrease in prepaids	417	-
(Decrease) increase in accounts payable and accrued liabilities	(118,160)	72,715
	(461,006)	(19,685)
INVESTING ACTIVITY		
Proposed acquisitions	(57,515)	-
DECREASE IN CASH	(518,521)	(19,685)
CASH - BEGINNING OF PERIOD	801,923	57,669
CASH - END OF PERIOD	283,402	37,984

The accompanying notes are an integral part of these interim financial statements.

1. NATURE OF OPERATIONS, NAME CHANGE AND ABILITY TO CONTINUE AS A GOING CONCERN

CuOro Resources Corp. (the "Company") was incorporated as a private company as Blue Cove Capital Corp. by Certificate of Incorporation issued pursuant to the provisions of the B.C. Business Company Act on October 23, 2007. The Company became a publicly listed company pursuant to an initial public offering of its shares on March 31, 2008 and was listed on the TSX Venture Exchange ("TSXV") on April 1, 2008 as a Capital Pool Company ("CPC"). On April 18, 2011 the Company effected its name change from "Blue Cove Capital Corp." to "CuOro Resources Corp.".

In October 2009 the Company entered into a mineral property purchase agreement (the "Purchase Agreement") to acquire an interest in certain mineral exploration properties located in the Battle Mountain and Cortez Trends of North Central Nevada. Closing of the Purchase Agreement was to occur on or before February 19, 2010. The Company was unable to obtain the necessary financing to complete the transaction by February 19, 2010 and, in March 2010, the vendor terminated the Purchase Agreement. All costs relating to the transaction were recorded as qualifying transaction expenses.

On April 7, 2010 trading of the Company's common shares on the TSXV were suspended for failure to complete a Qualifying Transaction within the prescribed time. Effective July 6, 2010 the Company's common shares resumed trading on the NEX Board of the TSXV.

In December 2010 the Company entered into agreements to acquire 100% interests in mineral projects located in Colombia and proposes to conduct equity financings, as described in Notes 3 and 4. The transactions contemplated in the option agreement on the Santa Elena Project and the equity financings will constitute the Company's Qualifying Transaction. Subsequent to February 28, 2011 the Company closed on its Qualifying Transaction, as described in Note 10.

These interim financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. The Company's ability to continue as a going concern is dependent upon its ability to complete a Qualifying Transaction and attain additional financing from its shareholders sufficient to meet current and future obligations. These interim financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Company were unable to continue its operations.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements of the Company have been prepared by management in accordance with Canadian GAAP. The preparation of the interim financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the interim financial statements and accompanying notes. Actual results could differ from those estimates. The interim financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim financial statements should be read in conjunction with the most recent annual financial statements. The significant accounting policies follow that of the most recently reported annual financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*. These new standards will be effective for fiscal years beginning on or after January 1, 2011.

Section 1582 replaces Section 1581, *Business Combinations*, and establishes standards for the accounting for a business combination. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace Section 1600, *Consolidated Financial Statements*. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

The Company does not expect the adoption of these accounting standards to have an impact on its financial statements.

3. PROPOSED ACQUISITIONS

	February 28, 2011		
	Acquisition Costs $	**Deferred Exploration Costs $**	**Total Costs $**
Barranco de Loba Project (a)	25,298	994	26,292
Santa Elena Project (b)	31,223	-	31,223
	56,521	994	57,515

(a) On December 9, 2010, as amended December 23, 2010, the Company entered into a letter of intent (the “Barranco de Loba LOI”) whereby it was granted an option to acquire a 100% interest in three mineral concessions (the “Barranco de Loba Project”) located in the Department of Sur de Bolivar, Colombia. To earn the interest in the Barranco de Loba Project the Company paid US $25,000 on signing and is required to pay a further US $575,000 and issue 1,000,000 common shares of the Company as follows:

Date	**Cash Payments US $**	**Share Issuances**
Upon closing	100,000	1,000,000
90 days after closing	225,000	-
6 months after closing	250,000	-
	575,000	1,000,000

3. PROPOSED ACQUISITIONS (continued)

The Company will also be required to pay US $53,000 for outstanding concession payments upon closing.

The Company will also pay the vendors an additional payment of US $500,000 and issue 500,000 common shares if the Barranco de Loba Project contains a measured resource of greater than 500,000 ounces of gold but less that 1,000,000 ounces of gold. In the event the measured gold resource is 1,000,000 ounces or greater, then the Company will pay US $1,000,000 and issue 1,000,000 common shares for every 1,000,000 ounces of gold, up to a maximum of US $10,000,000 and 10,000,000 common shares.

Closing of the terms of the Barranco de Loba LOI is conditional upon completion of due diligence, execution of a definitive agreement and receipt of TSXV approval. The Barranco de Loba LOI will not form part of the Company's Qualifying Transaction.

(b) By agreements dated December 22, 2010 and February 14, 2011 the Company was granted an option (the "Santa Elena Option") to acquire a 100% undivided interest in two mining concessions (the "Santa Elena Project") located in the Antioquia District, Colombia. To earn the interest in the Santa Elena Project the Company paid US $25,000 on signing and is required to pay a further US $3,000,000 and conduct US $3,000,000 exploration expenditures, as follows:

Date	Cash Payments US $	Work Expenditures US $
Upon closing	250,000	-
3 months after closing	250,000	-
12 months after closing	-	500,000
14 months after closing	500,000	-
24 months after closing	-	1,000,000
26 months after closing	1,000,000	-
36 months after closing	-	1,500,000
38 months after closing	1,000,000	-
	3,000,000	3,000,000

The Company will also pay US $1,000,000 if the Santa Elena Project contains a measured resource of at least 300,000 tonnes of copper. The vendor will also retain a net smelter return royalty of between 2.0% - 3.0%.

Closing of the terms of the Santa Elena Option is conditional upon receipt of final TSXV approval. The Santa Elena Project will form part of the Company's Qualifying Transaction.

See also Note 10.

4. SHARE CAPITAL

Authorized: unlimited common shares without par value

Issued common shares:	Three Months Ended February 28, 2011		Year Ended November 30, 2010	
	Shares	**Amount $**	**Shares**	**Amount $**
Balance, beginning of period	11,803,159	971,271	4,200,000	231,644
For cash				
Private placements	-	-	8,639,324	831,966
For finder's fees	-	-	63,835	15,959
Cancellation of common shares	-	-	(1,100,000)	(55,000)
	-	-	7,603,159	792,925
Less share issue costs	-	-	-	(53,298)
	-	-	7,603,159	739,627
Balance, end of period	11,803,159	971,271	11,803,159	971,271

(a) On January 6, 2011 the Company entered into a sponsorship agreement with Canaccord Genuity Corp. ("Canaccord") under which the Company paid Canaccord $25,000 and will pay a further $25,000 upon the delivery of the preliminary sponsorship report by Canaccord. The Company also paid an advance retainer of $10,000 for expenses to be incurred by Canaccord.

(b) On February 1, 2011, as amended, the Company entered into an agreement with Canaccord whereby Canaccord has agreed to act as agent for an equity financing comprising of a short form offering of up to 2,000,000 common shares of the Company at a price of $1.00 per share and a brokered private placement of up to 3,500,000 units, at a price of $1.00 per unit. Each unit will comprise one common share of the Company and one-half share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share at a price of $1.30 for a period of two years.

Canaccord will receive a commission of 7% of the gross proceeds raised under the short form offering and brokered private placement, in cash or units at the option of Canaccord. In addition the Company will issue to Canaccord that number of warrants ("Agent's Warrants") equal to 7% of the shares and units raised and a further 125,000 units ("Corporate Finance Units") as a corporate finance fee. Each Agent's Warrant will be exercisable to purchase an additional common share at a price of $1.00 for a period of two years. The Corporate Finance Units will have the same terms as the units issued under the private placement.

The Company also intends to conduct a non-brokered private placement of 4,500,000 units at $1.00 per unit with the same terms as the brokered private placement. The Company will pay a finders' fee commission of 7% of the gross proceeds raised by the finders under the non-brokered private placement in cash or units at the option of the finders. In addition the Company will issue to the finders that number of warrants ("Finders' Warrants") equal to 7% of the units raised. Each Finders' Warrant will be exercisable to purchase an additional common share at a price of $1.30 for a period of two years.

The equity financings will form part of the Company's Qualifying Transaction.

See also Note 10.

4. SHARE CAPITAL (continued)

(c) A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at February 28, 2011 and 2010 and the changes for the three months ended on those dates is as follows:

	2011		2010	
	Number	Weighted Average Exercise Price $	Number	Weighted Average Exercise Price $
Balance, beginning and end of period	63,835	0.25	200,000	0.10

As at February 28, 2011 warrants are outstanding to purchase 63,835 common shares at an exercise price of $0.25 expiring November 17, 2012.

(d) During fiscal 2010, in conjunction with the change in the Company's listing status and in accordance with stipulated policies and procedures, seed shareholders agreed to the cancellation of 1,100,000 common shares held in escrow. Accordingly, the original $55,000 assigned value attributable to these common shares have been transferred from share capital to contributed surplus. As at February 28, 2011, 1,100,000 common shares remain held in escrow.

5. STOCK OPTIONS AND STOCK-BASED COMPENSATION

The Company has established a rolling stock option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. The vesting provisions are determined by the Board of Directors and, unless otherwise stated, fully vest when granted.

During the three months ended February 28, 2011 and 2010 the Company did not grant any stock options.

During the three months ended February 28, 2010 the Company recorded stock-based compensation of $3,752 on the vesting of stock options which were granted in fiscal 2008.

A summary of the Company's stock options at February 28, 2011 and 2010 and the changes for the three months ended on those dates is presented below:

	2011		2010	
	Number of Options Outstanding	Weighted Average Exercise Price $	Number of Options Outstanding	Weighted Average Exercise Price $
Balance, beginning and end of period	1,213,752	0.51	462,000	0.10

5. STOCK OPTIONS AND STOCK-BASED COMPENSATION (continued)

The following table summarizes information about the stock options outstanding and exercisable at February 28, 2011:

Number Outstanding and Exercisable	Exercise Price $	Expiry Date
42,000	0.10	March 28, 2018
1,171,752	0.52	November 16, 2013
1,213,752		

6. CONTRIBUTED SURPLUS

The Company's contributed surplus at February 28, 2011 and 2010 and the changes for the three months ended on those dates is presented below:

	2011 $	2010 $
Balance, beginning of period	574,429	26,261
Stock-based compensation on stock options	-	3,752
Balance, end of period	574,429	30,013

7. RELATED PARTY TRANSACTIONS

During the three months ended February 28, 2011 the Company incurred $8,000 for accounting and administrative services provided by a private company owned by a director of the Company. As at February 28, 2011, $8,215 remained outstanding and was included in accounts payable and accrued liabilities.

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

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of amounts receivable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Cash is measured at fair value using the fair value hierarchal classification as at February 28, 2011 as follows:

Level 1 $	Level 2 $	Level 3 $
283,402	-	-

The Company is exposed in varying degrees to a variety of financial instrument and related risks. Those risks and management's approach to mitigating those risks are as follows:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to its financial instruments is remote as its cash is held at large financial institutions. Amounts receivable are primarily due from the Government of Canada.

Liquidity Risk

All of the Company's liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk

The Company has cash and no interest bearing debt and is not subject to significant interest rate risk.

(b) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. There is low foreign exchange risk to the Company as it currently operates in Canada.

9. 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 identification and review of asset or business acquisitions. 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 Company defines capital that it manages as shareholders equity. The Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new opportunities. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

10. SUBSEQUENT EVENTS

On April 20, 2010 the Company closed on its Qualifying Transaction involving the Santa Elena Option, as described in Note 3(b), and the equity financings totalling $10,000,000, as described in Note 4(b). The Company also issued 83,750 common shares of the Company to Access Capital Corp., an arm's length party to the Company, as a finder's fee in connection with the Qualifying Transaction.

Effective April 25, 2011 the Company's listing will be transferred from the NEX Board of the TSXV to a Tier 2 mining issuer on the TSXV.